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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 Refinancing Notes have not been, and will not be, registered under the Securities Act, or the securities laws of any state of the United States or any other jurisdiction and the Refinancing Notes may not be offered or sold within the United States 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.

AN INVESTMENT IN THE REFINANCING NOTES INVOLVES CERTAIN RISKS, INCLUDING THE RISK THAT INVESTORS WILL LOSE THEIR ENTIRE INVESTMENT. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER THE MONTHLY REPORT PREPARED AS OF 15 AUGUST 2017, THE PAYMENT DATE REPORT PREPARED AS OF 12 JULY 2017 AND THE FINANCIAL STATEMENTS OF THE ISSUER, IN ADDITION TO THE MATTERS SET FORTH ELSEWHERE IN THIS PROSPECTUS, THE MONTHLY REPORT, THE PAYMENT DATE REPORT, THE FINANCIAL STATEMENTS OF THE ISSUER AND THE 2015 PROSPECTUS, PRIOR TO INVESTING IN THE REFINANCING NOTES.

THE INITIAL PURCHASER (I) DID NOT PARTICIPATE IN THE PREPARATION OF THE 2015 PROSPECTUS, ANY MONTHLY REPORT, ANY PAYMENT DATE REPORT OR ANY FINANCIAL STATEMENTS OF THE ISSUER, (II) HAS NOT MADE A DUE DILIGENCE INQUIRY AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THE 2015 PROSPECTUS, ANY MONTHLY REPORT, ANY PAYMENT DATE REPORT OR ANY FINANCIAL STATEMENTS OF THE ISSUER, (III) IS RELYING ON REPRESENTATIONS FROM THE ISSUER AS TO THE ACCURACY AND COMPLETENESS OF THE INFORMATION CONTAINED IN THE 2015 PROSPECTUS, ANY MONTHLY REPORT, ANY PAYMENT DATE REPORT AND ANY FINANCIAL STATEMENTS OF THE ISSUER AND (IV) SHALL HAVE NO RESPONSIBILITY WHATSOEVER FOR THE CONTENTS OF THE 2015 PROSPECTUS, ANY MONTHLY REPORT, ANY PAYMENT DATE REPORT AND ANY FINANCIAL STATEMENTS OF THE ISSUER.

THE MONTHLY REPORT AND THE PAYMENT DATE REPORT ARE BEING PROVIDED BY THE ISSUER AND WERE PREPARED THROUGH THE ISSUER'S AGENT, THE COLLATERAL ADMINISTRATOR (AND REVIEWED BY THE INVESTMENT MANAGER), PURSUANT TO THE

TERMS OF THE TRUST DEED AND THE INVESTMENT MANAGEMENT AND COLLATERAL ADMINISTRATION AGREEMENT. OTHER THAN A LIMITED SCOPE REVIEW OF THE REPORTS BY INDEPENDENT ACCOUNTANTS, NEITHER THE MONTHLY REPORT NOR THE PAYMENT DATE REPORT HAS BEEN PREPARED, AUDITED OR OTHERWISE REVIEWED BY ANY ACCOUNTING FIRM, INDEPENDENT ACCOUNTANTS OR ANY OTHER THIRD PARTY, EITHER IN CONNECTION WITH THE OFFERING OF THE REFINANCING NOTES OR OTHERWISE AND ARE BASED ON MATERIALS PROVIDED BY THE INVESTMENT MANAGER AND OTHER THIRD PARTY SOURCES. NO OTHER INDEPENDENT THIRD PARTY HAS REVIEWED, VERIFIED OR CONFIRMED THE INFORMATION SET FORTH THEREIN OR THE ASSUMPTIONS, INTERPRETATIONS OR CONCLUSIONS NECESSARY TO PREPARE THE MONTHLY REPORT OR THE PAYMENT DATE REPORT. THE INITIAL PURCHASER, THE INVESTMENT MANAGER AND THE COLLATERAL ADMINISTRATOR ARE NOT RESPONSIBLE TO INVESTORS FOR, AND NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, IS MADE BY THE INITIAL PURCHASER, THE COLLATERAL ADMINISTRATOR OR THE INVESTMENT MANAGER OR ANY OTHER PARTY AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION AND NOTHING CONTAINED HEREIN IS, OR SHALL BE RELIED UPON AS, A REPRESENTATION, WHETHER AS TO THE PAST, THE PRESENT OR THE FUTURE ACCURACY OF SUCH INFORMATION. EACH PROSPECTIVE INVESTOR AGREES TO KEEP SUCH INFORMATION CONTAINED IN THE MONTHLY REPORT AND THE PAYMENT DATE REPORT CONFIDENTIAL.

THE INITIAL PURCHASER, THE INVESTMENT MANAGER AND THE COLLATERAL ADMINISTRATOR ARE NOT RESPONSIBLE TO INVESTORS FOR, AND NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, IS MADE BY THE INITIAL PURCHASER, THE COLLATERAL ADMINISTRATOR OR THE INVESTMENT MANAGER OR ANY OTHER PARTY AS TO THE ACCURACY OR COMPLETENESS OF INFORMATION IN THE FINANCIAL STATEMENTS OF THE ISSUER AND NOTHING CONTAINED THEREIN IS, OR SHALL BE RELIED UPON AS, A REPRESENTATION, WHETHER AS TO THE PAST, THE PRESENT OR THE FUTURE ACCURACY OF SUCH INFORMATION.

Confirmation of Your Representation: In order to be eligible to view the document or make an investment decision with respect to the securities, investors must either be (a) U.S. persons that are QIB/QPs or (b) non-U.S. persons (in compliance with Regulation S under the Securities Act). By accessing the document, you shall be deemed to have represented to us that (1) you and any customers you represent are either (a) QIB/QPs and a U.S. person or (b) non-U.S. persons and that the email address that you gave us and to which this email has been delivered is not located in the United States, (2) such 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, and (3) you consent to delivery of the document by electronic transmission.

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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.

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

JUBILEE CLO 2015-XV B.V.
(a private company with limited liability incorporated under the laws of The Netherlands, having its statutory seat in Amsterdam)

€252,750,000 Class A Senior Secured Floating Rate Notes due 2028
€60,250,000 Class B Senior Secured Floating Rate Notes due 2028
€26,000,000 Class C Deferrable Mezzanine Floating Rate Notes due 2028
€23,500,000 Class D Deferrable Mezzanine Floating Rate Notes due 2028

This Prospectus incorporates the final Prospectus dated 2 June 2015 (the "**2015 Prospectus**") relating to the Original Notes (as defined below) which is annexed hereto as Annex A. Capitalised terms used herein and not otherwise defined shall have the meanings given to such terms in the 2015 Prospectus.

The assets securing the Refinancing Notes (as defined below) will consist, and the assets securing the Original Notes (as defined below) consist, predominantly of a portfolio of Secured Senior Loans, Secured Senior Bonds, Unsecured Senior Obligations, Mezzanine Obligations and High Yield Bonds managed by Alcentra Limited (the "**Investment Manager**").

On 4 June 2015 (the "**Original Issue Date**") Jubilee CLO 2015-XV B.V. (the "**Issuer**") issued €252,750,000 Class A Senior Secured Floating Rate Notes due 2028 (the "**Original Class A Notes**"), €60,250,000 Class B Senior Secured Floating Rate Notes due 2028 (the "**Original Class B Notes**"), €26,000,000 Class C Deferrable Mezzanine Floating Rate Notes due 2028 (the "**Original Class C Notes**"), €23,500,000 Class D Deferrable Mezzanine Floating Rate Notes due 2028 (the "**Original Class D Notes**", and together with the Original Class A Notes, the Original Class B Notes and the Original Class C Notes, the "**Refinanced Notes**"), €27,000,000 Class E Deferrable Junior Floating Rate Notes due 2028 (the "**Class E Notes**"), €15,250,000 Class F Deferrable Junior Floating Rate Notes due 2028 (the "**Class F Notes**") and €46,000,000 Subordinated Notes due 2028 (the "**Subordinated Notes**" and together with the Refinanced Notes, the Class E Notes and Class F Notes, the "**Original Notes**"). The Original Notes were issued and secured pursuant to a trust deed dated 4 June 2015, made between (amongst others) the Issuer and Law Debenture Trust Company of New York, in its capacity as trustee, with such role novated to Delaware Trust Company pursuant to a novation deed dated 5 January 2017 between (amongst others) Law Debenture Trust Company of New York as original trustee and Delaware Trust Company as successor trustee (the "**Trust Deed**").

On or about 12 October 2017 (the "**Refinancing Date**", and with respect to the Refinanced Notes, shall be the Redemption Date), the Issuer will, subject to the certain conditions, redeem the Refinanced Notes by issuing €252,750,000 Class A Senior Secured Floating Rate Notes due 2028 (the "**Class A Notes**"), €60,250,000 Class B Senior Secured Floating Rate Notes due 2028 (the "**Class B Notes**"), €26,000,000 Class C Deferrable Mezzanine Floating Rate Notes due 2028 (the "**Class C Notes**") and €23,500,000 Class D Deferrable Mezzanine Floating Rate Notes due 2028 (the "**Class D Notes**", and together with the Class A Notes, the Class B Notes and the Class C Notes, the "**Refinancing Notes**", and together with the Class E Notes, the Class F Notes and the Subordinated Notes, the "**Notes**").

The Refinancing Notes will be issued and secured pursuant to an amendment and supplemental Trust Deed (the "**Amendment and Supplemental Trust Deed**") dated on or about the Refinancing Date, made between (amongst others) the Issuer and Delaware Trust Company, in its capacity as trustee (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed).

Interest on the Refinancing Notes will be payable quarterly in arrear on 12 January, 12 April, 12 July and 12 October prior to the occurrence of a Frequency Switch Event (as defined in the 2015 Prospectus) and semi-annually in arrear on 12 January and 12 April (where the Payment Date (as defined in the 2015 Prospectus) immediately following the occurrence of a Frequency Switch Event falls in either January or April) or 12 July and 12 October (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either July or October) following the occurrence of a Frequency Switch Event (or, in each case, if such day is not a Business Day (as defined in the 2015 Prospectus), 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 12 January 2018 and ending on the Maturity Date (as defined in the 2015 Prospectus) in accordance with the Priorities of Payments described herein.

The Refinancing Notes will be subject to Optional Redemption (although are excluded from the redemption rights set out under Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Investment Manager*) and may therefore not be refinanced in part in the future), Mandatory Redemption and Special Redemption, each as described herein. See Condition 7 (*Redemption and Purchase*). The Rated Notes may not be subject to Optional Redemption in whole solely from Refinancing Proceeds at the option of the Subordinated Noteholders during the period expiring on 12 October 2018.

SEE THE SECTION ENTITLED "*RISK FACTORS*" HEREIN FOR A DISCUSSION OF CERTAIN FACTORS TO BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE REFINANCING NOTES.

This prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Directive 2003/71/EC (as amended) (the "**Prospectus Directive**"). The Central Bank of Ireland only approves this prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Refinancing Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC and/or which are to be offered to the public in any member state of the European Economic Area. Application has been made to the Irish Stock Exchange plc (the "**Irish Stock Exchange**") for the Refinancing Notes to be admitted to the Official List (the "**Official List**") and trading on the regulated market of the Irish Stock Exchange (the "**Main Securities Market**"). The Main Securities Market is a regulated market for the purposes of Directive 2004/39/EC (as amended) (the "**Markets in Financial Instruments Directive**"). It is anticipated that listing and admission to trading of the Refinancing Notes will take place on or about the Issue Date. There can be no assurance that such listing and admission to trading will be granted. Upon approval by the Central Bank, this Prospectus will constitute a "prospectus" for the purposes of the Prospectus Directive. The final copy of the "prospectus" prepared pursuant to the Prospectus Directive will be available from the website of the Central Bank.

The Refinancing 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 in the 2015 Prospectus). The net proceeds of the realisation of the security over the Collateral upon acceleration of the Refinancing Notes following an Event of Default (as defined in the 2015 Prospectus) may be insufficient to pay all amounts due on the Refinancing Notes 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 Dutch Account and the rights of the Issuer under the Issuer Management Agreement (each as defined in the 2015 Prospectus)) 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*).

The Refinancing 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 Refinancing Notes will be subject to certain restrictions on transfer, and each purchaser of the Refinancing 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 Refinancing Notes (other than the Refinancing Retention Notes (as defined herein)) are being offered by the Issuer through Barclays Bank PLC or an affiliate thereof in its capacity as initial purchaser of the Refinancing 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 Refinancing Notes will be made on or about the Refinancing Date. The Initial Purchaser may offer the Refinancing Notes (other than the Refinancing Retention Notes) at prices as may be negotiated at the time of sale which may vary among different purchasers.

Barclays
as Initial Purchaser

The date of this Prospectus is 11 October 2017

*The Issuer accepts responsibility for the information contained in this document 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), the information included in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Investment Manager accepts responsibility for the information contained in the sections in this document headed "Risk Factors –Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Investment Manager and its Affiliates" and "The Investment Manager" (together, the "**Investment Manager Information**"). To the best of the knowledge and belief of the Investment Manager (which has taken all reasonable care to ensure that such is the case), the Investment Manager 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 in this documented headed "The EU Retention Requirements" and the second paragraph of the section in this document headed "U.S. Credit Risk Retention" (the "**Retention Holder Information**"). 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), the Retention Holder Information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Bank of New York Mellon, acting through its London Branch in its capacity as Calculation Agent, Principal Paying Agent, Account Bank, Custodian and Information Agent accepts responsibility for the information contained in the sections of the 2015 Prospectus headed "The Calculation Agent, Principal Paying Agent, Account Bank, Custodian and Information Agent" (the "**Agents Information**"). To the best of the knowledge and belief of The Bank of New York Mellon, acting through its London Branch in its capacity as Calculation Agent, Principal Paying Agent, Account Bank, Custodian and Information Agent (which has taken all reasonable care to ensure that such is the case), the Agents Information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Bank of New York Mellon S.A./N.V., Dublin Branch in its capacity as Collateral Administrator accepts responsibility for the information contained in the section of the 2015 Prospectus headed "The Collateral Administrator" (the "**Collateral Administrator Information**"). To the best of the knowledge and belief of The Bank of New York Mellon S.A./N.V., Dublin Branch (which has taken all reasonable care to ensure that such is the case), the Collateral Administrator Information is in accordance with the facts and does not omit anything likely to affect the import of such information. Except for the Investment Manager Information, in the case of the Investment Manager, the Retention Holder, in the case of the Retention Holder Information, the Agents Information and the Collateral Administrator Information, in the case of The Bank of New York Mellon, none of the Investment Manager, the Retention Holder, the Initial Purchaser, the Agents or the Collateral Administrator accept any responsibility for the accuracy and completeness of any information contained in this Prospectus. The delivery of this Prospectus at any time does not imply that the information herein is correct at any time subsequent to the date of this Prospectus.*

None of the Initial Purchaser nor any of its Affiliates, the Trustee, the Investment Manager (save in respect of the Investment Manager Information), the Retention Holder (save in respect of the Retention Holder Information), the Collateral Administrator (save in respect of the Collateral Administrator Information), any Agent (save in respect of the Agents Information), any Hedge Counterparty or any other party has separately verified the information contained in this Prospectus and, accordingly, none of the Initial Purchaser, the Trustee, the Investment Manager (save as specified above), the Retention Holder (save in respect of the Retention Holder Information), the Collateral Administrator (save as specified above), any Agent (save as specified above), any Hedge Counterparty, 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 Prospectus or in any further notice or other document which may at any time be supplied in connection with the Refinancing Notes or their distribution or accepts any responsibility or liability therefor. None of the Initial Purchaser (nor any of its Affiliates), the Trustee, the Investment Manager, the Retention Holder, the Collateral Administrator, any Agent, any Hedge Counterparty or any other party undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Refinancing Notes of any information coming to the attention of any of the aforementioned parties which is not included in this Prospectus. None of the Initial Purchaser (nor any of its Affiliates), the Trustee, the Investment Manager, the Retention Holder, the Collateral Administrator, any Agent, any Hedge Counterparty (in each case other than 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 Prospectus.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Initial Purchaser or any of its Affiliates, the Investment Manager, the Collateral Administrator or any other person to subscribe for or purchase any of the Refinancing Notes. The distribution of this Prospectus and the offering of

*the Refinancing Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Initial Purchaser to inform themselves about and to observe any such restrictions. In particular, the communication constituted by this Prospectus is directed only at persons who (i) are outside the United Kingdom and are offered and accept this Prospectus 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 Refinancing Notes and distribution of this Prospectus, see "Plan of Distribution" and "Transfer Restrictions" below.*

In connection with the issue and sale of the Refinancing Notes, no person is authorised to give any information or to make any representation not contained in this Prospectus 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 Investment Manager or the Collateral Administrator. The delivery of this Prospectus at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

*In this Prospectus, 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 on the Functioning of the European Union, 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) and any references to "**US Dollar**", "**US dollar**", "**USD**", "**U.S. Dollar**" or "**$**" shall mean the lawful currency of the United States of America.*

In connection with the issue of the Refinancing Notes, no stabilisation will take place and neither Barclays Bank PLC nor any Affiliate thereof will be acting as stabilising manager in respect of the Refinancing Notes.

Any websites referred to herein do not form part of this Prospectus.

Retention Requirements

Investors are directed to the further descriptions of the Retention Requirements in "*Risk Factors - General – The Dodd Frank Act and proposed changes to Regulation AB*" in the 2015 Prospectus and "*Risk Factors – Regulatory Initiatives - EU Retention Requirements*", "*Risk Factors – Regulatory Initiatives - U.S. Risk Retention Requirements*", "*U.S. Credit Risk Retention*" and "*The EU Retention Requirements*" below.

Under the Risk Retention Letter, the Retention Holder will, inter alia, for so long as any Class of Notes remains Outstanding covenant and undertake in respect of the EU Retention Requirements to subscribe for, hold and retain, on an ongoing basis, for so long as any Class of Notes remains Outstanding, not less than 5 per cent. of the outstanding nominal value of each Class of Notes regardless of whether they are in the form of IM Voting Notes, IM Non-Voting Notes or IM Exchangeable Non-Voting Notes, in each case subject as provided in the Risk Retention Letter.

With respect to the EU Retention Requirements, each prospective investor in the Refinancing 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 Investment Manager, any Investment Manager Related Person, the Initial Purchaser, 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. Each prospective investor in the Refinancing Notes which is subject to the EU Retention Requirements or any other regulatory requirement should consult with its own legal, accounting and other advisors 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. Investors are directed to the further descriptions of the EU Retention Requirements in "*Risk Factors – Regulatory Initiatives – EU Retention Requirements*" and "*The EU Retention Requirements*".

Compliance with U.S. Credit Risk Retention Requirements

The Investment Manager, as sponsor and as Retention Holder, has informed the Issuer that it will retain the Retention Interest (as defined herein) in compliance with the U.S. Risk Retention Rules, and that such Retention Interest satisfies the requirements for retaining an "eligible vertical interest" under, the U.S Risk Retention Rules (as defined herein). None of the Issuer, the Initial Purchaser, the Trustee or the Collateral Administrator or any other transaction party provides any assurances regarding, or assumes any responsibility for, the Investment Manager's compliance with the U.S. Risk Retention Rules prior to, on or after the Refinancing Date. See "*Risk Factors – Regulatory Initiatives –U.S. Risk Retention Rules*" and "*U.S. Credit Risk Retention*".

Information as to placement within the United States

The Refinancing Notes of each Class offered pursuant to an exemption from registration requirements under Rule 144A under the Securities Act ("**Rule 144A**") (the "**Rule 144A Notes**") may only be sold within the United States to persons and outside the United States to U.S. Persons (as such term is defined in Regulation S), in each case, who are "qualified institutional buyers" (as defined in Rule 144A)) ("**QIBs**") that are also "qualified purchasers" for 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**") or, in some cases, by definitive certificates (each a "**Rule 144A Definitive Certificate**" and together the "**Rule 144A Definitive Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Refinancing Date with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg or in the case of Rule 144A Definitive Certificates, the registered holder thereof. The Refinancing 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 (the "**Regulation S Notes**") 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**") or, in some cases, by definitive certificates of such Class (each a "**Regulation S Definitive Certificate**" and together, the "**Regulation S Definitive Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Refinancing Date with, and registered in

the name of, a common depositary for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") or, in the case of Regulation S Definitive Certificates, the registered holder thereof. 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 a Regulation S Global Certificate or a Regulation S Definitive Certificate. 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. Except as described herein, Notes in definitive certificated form will be issued in limited circumstances. 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*" and "*Book Entry Clearance Procedures*" in the 2015 Prospectus and "*Plan of Distribution*" and "*Transfer Restrictions*" below.

The Issuer has not been registered under the Investment Company Act in reliance on both Section 3(c)(7) of the Investment Company Act and Rule 3a-7 of the Investment Company Act, *provided that* the Issuer has the right by notice to the Trustee to elect (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Refinancing Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act and to no longer rely on the exemption from the Investment Company Act provided by Rule 3a-7. Each purchaser of an interest in the Refinancing Notes (other than a non-U.S. Person outside the U.S.) will be deemed to have represented and agreed that it is a QP and will also be deemed to have made the representations set out in "*Transfer Restrictions*" herein.

The purchaser of any Refinancing Note, by such purchase, agrees that such Refinancing Note is being acquired for its own account and not with a view to distribution and may be resold, pledged or otherwise transferred only (1) to the Issuer (upon redemption thereof or otherwise), (2) 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 Refinancing Notes and the offering thereof described herein, including the merits and risks involved.

THE REFINANCING 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 Prospectus has been prepared by the Issuer solely for use in connection with the offering and listing of the Refinancing Notes described herein. Each of the Issuer and the Initial Purchaser reserves the right to reject any offer to purchase Refinancing Notes in whole or in part for any reason, or to sell less than the stated initial principal amount of any Class of Refinancing Notes offered hereby. This Prospectus 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 Refinancing Notes. Distribution of this Prospectus 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, is prohibited. Any reproduction or distribution of this Prospectus 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.

Available Information

To permit compliance with the Securities Act in connection with the sale of the Refinancing 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 Refinancing 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, nor exempt from reporting pursuant to Rule 12g3-2(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 REFINANCING NOTES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN EACH JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS SUCH REFINANCING NOTES OR POSSESSES OR DISTRIBUTES THIS PROSPECTUS AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED FOR THE PURCHASE, OFFER OR SALE BY IT OF SUCH SECURITIES 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 RETENTION HOLDER, THE INVESTMENT MANAGER, THE TRUSTEE OR THE COLLATERAL ADMINISTRATOR SPECIFIED HEREIN (OR ANY OF THEIR RESPECTIVE AFFILIATES) SHALL HAVE ANY RESPONSIBILITY THEREFOR.

THE REFINANCING 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.

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 INVESTMENT MANAGER ON THE ISSUER'S BEHALF) MAY ENTER INTO HEDGE AGREEMENTS IN RESPECT OF WHICH EITHER (I) AT THE TIME SUCH HEDGE AGREEMENT IS ENTERED INTO IT COMPLIES WITH THE HEDGE AGREEMENT ELIGIBILITY CRITERIA (AS DEFINED HEREIN) OR (II) PRIOR TO ENTERING INTO SUCH HEDGE AGREEMENT, THE ISSUER HAS OBTAINED LEGAL ADVICE FROM REPUTABLE LEGAL COUNSEL KNOWLEDGEABLE IN SUCH MATTERS TO THE EFFECT THAT THE ISSUER'S ENTRY INTO SUCH HEDGE AGREEMENT WOULD NOT REQUIRE ANY OF THE ISSUER, ITS OFFICERS OR MANAGING DIRECTORS OR THE INVESTMENT MANAGER OR ITS AFFILIATES TO REGISTER WITH THE CFTC AS EITHER A "COMMODITY POOL OPERATOR" OR A "COMMODITY TRADING ADVISOR" (AS SUCH TERMS ARE DEFINED IN THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "**CEA**")) IN RESPECT OF THE ISSUER. THEREFORE, UNLIKE A REGISTERED CPO, THE INVESTMENT 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 THE REQUIREMENTS OF CFTC RULES APPLICABLE TO REGISTERED CPOs. FURTHER, THE TRADING OR ENTERING INTO SUCH HEDGE AGREEMENT MUST NOT ELIMINATE THE ISSUER'S ABILITY TO RELY ON RULE 3a-7 UNDER THE INVESTMENT COMPANY ACT, UNLESS AND UNTIL THE ISSUER ELECTS (WHICH ELECTION MAY BE MADE ONLY UPON CONFIRMATION FROM THE INVESTMENT MANAGER THAT IT HAS OBTAINED LEGAL ADVICE FROM REPUTABLE INTERNATIONAL LEGAL COUNSEL KNOWLEDGEABLE IN SUCH MATTERS TO THE EFFECT THAT TO DO SO WOULD NOT RESULT IN THE ISSUER BEING CONSTRUED AS A "COVERED FUND" IN RELATION TO ANY HOLDER OF OUTSTANDING REFINANCING NOTES FOR THE PURPOSES OF THE VOLCKER RULE A) TO RELY SOLELY ON THE EXEMPTION UNDER SECTION 3(c)(7) UNDER THE INVESTMENT COMPANY ACT. THIS PROSPECTUS HAS NOT BEEN REVIEWED OR APPROVED BY THE COMMODITY FUTURES TRADING COMMISSION.

VOLCKER RULE

Section 619 of the Dodd–Frank Act and the corresponding implementing rules (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, among other things, (i) engaging in proprietary trading in financial instruments unless the transaction is excluded from the scope of the Volcker Rule, or (ii) acquiring or retaining any "ownership interest" in, or in "sponsoring", a "covered fund", subject to certain exemptions and exclusions. In addition, in certain circumstances, the Volcker Rule restricts relevant banking entities from entering into certain transactions with covered funds. Full conformance with the Volcker Rule was required from 21 July 2015.

If the Issuer is deemed to be a "covered fund" under the Volcker Rule, 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 financial transactions (including credit related transactions) with the Issuer. If the Issuer is deemed to be a "covered fund", this could significantly impair the marketability and liquidity of the Refinancing Notes.

Each prospective investor in the Refinancing Notes is required to independently consider the potential impact of the Volcker Rule in respect of any investment in the Refinancing Notes and none of the Issuer, the Investment Manager, the Initial Purchaser, the Trustee, the Collateral Administrator or any Agent makes any representation regarding such investment, including with respect to the ability of any investor to acquire or hold the Refinancing Notes, now or at any time in the future in compliance with the Volcker Rule or any other applicable laws. See "*Risk Factors – Regulatory Initiatives – Volcker Rule*" below.

PRIIPs Regulation

The Refinancing Notes are not intended to be offered or transferred to, or held by, "retail investors" for the purposes of Regulation (EU) No. 1286/2014 of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the "**PRIIPs Regulation**"). Accordingly, none of the Issuer or the Initial Purchaser expects to be required to prepare, and none of them has prepared, or will prepare, a "key information document" in respect of the Refinancing Notes for the purposes of the PRIIPs Regulation.

Forward-Looking Statements

This Prospectus contains forward-looking statements, which can be identified by words like "anticipate", "believe", "plan", "hope", "goal", "initiative", "expect", "future", "intend", "will", "could" and "should" and by similar expressions. Other information contained herein, including any forecasted, estimated, targeted or assumed information, may also be deemed to be, or to contain, forward-looking statements. Prospective investors should not place undue reliance on forward-looking statements. Actual results could differ materially from those referred to in forward-looking statements for many reasons, including the risks described in "*Risk Factors*". Forward-looking statements are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying any forward-looking statements will not materialize or will vary significantly from actual results. Variations of assumptions and results may be material.

Without limiting the generality of the foregoing, the inclusion of forward-looking statements herein should not be regarded as a representation by any of the Issuer, the Investment Manager, the Initial Purchaser, the Trustee, the Collateral Administrator or any of their respective Affiliates or any other person of the results that will actually be achieved by the Issuers or the Refinancing Notes. None of the foregoing persons has any obligation to update or otherwise revise any forward-looking statements, including any revision to reflect changes in any circumstances arising after the date hereof relating to any assumptions or otherwise.

Websites

Any websites referred to herein do not form part of this Prospectus.

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TRANSACTION OVERVIEW

The following overview must be read in conjunction with the section entitled "Overview" in the 2015 Prospectus. The changes set forth below supersede all statements which are inconsistent therewith in the 2015 Prospectus. 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 Prospectus, including (except to the extent described in the immediately preceding sentence) in the 2015 Prospectus and related documents referred to herein; it being understood and agreed by each investor and prospective investor in the Refinancing Notes that the Initial Purchaser (i) did not participate in the preparation of the 2015 Prospectus, any Monthly Report, any Payment Date Report or any financial statements of the Issuer, (ii) has not made a due diligence inquiry as to the accuracy or completeness of the information contained in the 2015 Prospectus, (iii) is relying on representations from the Issuer as to the accuracy and completeness of the information contained in the 2015 Prospectus (other than the Investment Manager Information), the Monthly Reports and the Payment Date Reports and (iv) shall have no responsibility whatsoever for the contents of the 2015 Prospectus, any Monthly Report, any Payment Date Report or any financial statements of the Issuer. A glossary of defined terms appears at the back of this Prospectus and at the back of the 2015 Prospectus.

Capitalised terms not specifically defined in this Overview have the meanings set out in Condition 1 (Definitions) under "Terms and Conditions of the Notes" in the 2015 Prospectus or are defined elsewhere in this Prospectus.

Issuer — Jubilee CLO 2015-XV B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands.

Investment Manager — Alcentra Limited.

Trustee — Delaware Trust Company.

Initial Purchaser — Barclays Bank PLC.

Collateral Administrator — The Bank of New York Mellon S.A./N.V., Dublin Branch, acting through its office at Riverside Two, Sir John Rogerson’s Quay, Grand Canal Dock, Dublin 2, DO2 KV60, Ireland.

Information Agent — The Bank of New York Mellon, acting though its London office at One Canada Square, London, E14 5AL.

Custodian, Account Bank and Principal Paying Agent — The Bank of New York Mellon, acting though its London office at One Canada Square, London, E14 5AL.

Transfer Agent and Registrar — The Bank of New York Mellon S.A./N.V., Luxembourg Branch

Refinancing Notes

Class of Refinancing Notes	Principal Amount	Initial Stated Interest Rate	Alternative Stated Interest Rate[1]	S&P Ratings of[2]	Moody’s Ratings of[3]	Maturity Date	Initial Offer Price[4]
A	€252,750,000	3 month EURIBOR + 0.84 per cent. per annum	6 month EURIBOR + 0.84 per cent. per annum	AAA(sf)	Aaa(sf)	2028	100%
B	€60,250,000	3 month EURIBOR + 1.35 per cent. per annum	6 month EURIBOR + 1.35 per cent. per annum	AA(sf)	Aa2(sf)	2028	100%
C	€26,000,000	3 month EURIBOR + 1.75 per cent.	6 month EURIBOR + 1.75 per cent.	A(sf)	A2(sf)	2028	100%

Class of Refinancing Notes	Principal Amount	Initial Stated Interest Rate	Alternative Stated Interest Rate[1]	S&P Ratings of[2]	Moody's Ratings of[3]	Maturity Date	Initial Offer Price[4]
		per annum	per annum				
D	€23,500,000	3 month EURIBOR + 3.00 per cent. per annum	6 month EURIBOR + 3.00 per cent. per annum	BBB(sf)	Baa2(sf)	2028	100%

1. Applicable at all times following the occurrence of a Frequency Switch Event, *provided that* the rate of interest of the Refinancing Notes of each Class for the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date will, if such first mentioned Payment Date falls on 12 April 2028, be determined by reference to three month EURIBOR.
2. A security rating is not a recommendation to buy, sell or hold the Refinancing Notes and may be subject to revision, suspension or withdrawal at any time by the applicable Rating Agency. As of the date of this Prospectus, each of the Rating Agencies is established in the European Union and is registered under Regulation (EC) No 1060/2009 (as amended) ("**CRA3**"). As such, each Rating Agency is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with CRA3.The ratings assigned to the Class A Notes and the Class B Notes by S&P address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes and the Class D Notes address the ultimate payment of principal and interest. The ratings assigned to the Notes by Moody's address the expected loss posed to investors by the legal final maturity on the Maturity Date. The ratings assigned to the Refinancing Notes by Moody's address the ultimate payment of principal.
3. Either the Issuer or the Initial Purchaser may offer the Refinancing Notes at prices as may be negotiated at the time of sale which may vary among different purchasers and which may be different to the issue price of the Refinancing Notes.

Eligible Purchasers

The Refinancing 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 in reliance on Rule 144A.

Refinancing Date

12 October 2017

Distribution on the Notes

Payment Dates

12 January, 12 April, 12 July and 12 October prior to the occurrence of a Frequency Switch Event and on 12 January and 12 April (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either January or April) or on 12 July and 12 October (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either July or October) following the occurrence of a Frequency Switch Event, in each year commencing on 12 January 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).

Interest

Interest in respect of the Refinancing Notes of each Class will be payable quarterly in arrear prior to the occurrence of a Frequency Switch Event and semi-annually in arrear following a Frequency Switch Event, in each case on in each Payment Date (with the first Payment Date occurring on 12 January 2017) in accordance with the Interest Priority of Payments.

IM Voting Notes, IM Non-Voting Notes and IM Exchangeable Non-Voting Notes

The Refinancing Notes may, in each case, be in the form of IM Voting Notes, IM Exchangeable Non-Voting Notes or IM Non-Voting Notes.

	IM Voting 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 IM Replacement Resolutions and/or any IM Removal Resolutions. IM Non-Voting Notes and IM Exchangeable 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 IM Removal Resolutions or any IM Replacement Resolutions but shall carry a right to vote on and be counted in respect of all other matters in respect of which the IM Voting Notes have a right to vote and be counted. IM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into IM Exchangeable Non-Voting Notes or IM Non- Voting Notes. IM Exchangeable Non-Voting Notes shall be exchangeable upon request by the relevant Noteholder into (a) IM Non-Voting Notes at any time; or (b) 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, IM Voting Notes. IM Non-Voting Notes shall not be exchangeable at any time into IM Voting Notes or IM Exchangeable Non-Voting Notes.
Form, Registration and Transfer of the Refinancing Notes	The Regulation S Notes of each Class of Refinancing Notes 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 Refinancing Date with, and registered in the name 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 "*Form of the Notes*" and "*Book Entry Clearance Procedures*" in the 2015 Prospectus. 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 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 Refinancing 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 a QIB/QP. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*" in the 2015 Prospectus. Except in the limited circumstances described herein, the Refinancing Notes in the form of 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*" in the 2015 Prospectus. 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 relating to such Refinancing Notes under the heading "*Transfer Restrictions*". Transfers of interests in the Refinancing 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*" in the 2015 Prospectus and "*Transfer Restrictions*" herein. Each purchaser of the Refinancing 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 Transfer pursuant to FATCA*) and Condition 2(j) (*Forced Transfer pursuant to ERISA*).
Redemption of the Notes	See the section entitled "*Redemption of the Notes*" within the "*Overview*" section in the 2015 Prospectus, which is amended herein to remove the right to direct redemption of the Notes; (a) in whole (with respect to all Classes of Rated Notes) from Refinancing Proceeds at any time during the period expiring on 12 October 2018; and (b) in part by the redemption in whole of one or more of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes from Refinancing Proceeds.
Listing	Application has been made to the Irish Stock Exchange for the Refinancing Notes to be admitted to the Official List of the Irish Stock Exchange and trading on the Main Securities Market. It is anticipated that listing will take place on or about the Refinancing Date. The Class E Notes, the Class F Notes and the Subordinated Notes have been admitted to trading on the Official List on the Original Issue Date and are trading on the Main Securities Market. See "*General Information*".
Tax Status	See "*Tax Considerations*".

Certain ERISA Considerations	See the section "*Certain ERISA Considerations*" and "*Transfer Restrictions*" in the 2015 Prospectus and "*Additional ERISA Considerations*" and "*Transfer Restrictions*".
Withholding Tax	No gross up of any payments will be payable to the Noteholders. See Condition 9 (*Taxation*).
Retention Holder and EU Retention Requirements	The Refinancing Retention Notes will be acquired and retained by the Investment Manager in its capacity as Retention Holder on the Refinancing Date and, pursuant to the Risk Retention Letter will retain the Retention Notes, with the intention of complying with the EU Retention Requirements. See "*The EU Retention Requirements*" and "*Risk Factors – Regulatory Initiatives – EU Retention Requirements*".
U.S. Risk Retention Rules	The Investment Manager, as sponsor and as Retention Holder, will acquire and retain an "eligible vertical interest" consisting of the Retention Interest on the Refinancing Date. See "*Risk Factors – Regulatory Initiatives –U.S. Risk Retention Rules*" and "*U.S. Credit Risk Retention*".
Portfolio	The Moody's Test Matrix and the Collateral Quality Tests, namely the Maximum Weighted Average Life Test, the S&P CDO Monitor Test, the Moody's Maximum Weighted Average Rating Factor Test and the Moody's Minimum Weighted Average Recovery Rate Test, each set out in the Investment Management and Collateral Administration Agreement, are being amended. The S&P Minimum Weighted Average Recovery Rate Test and the S&P Matrix, each set out in the Investment Management and Collateral Administration Agreement are being deleted. Purchasers of the Refinancing Notes will be deemed to have approved these modifications contained in the Amendment and Supplemental Trust Deed by their subscription of the relevant classes of the Refinancing Notes. See the section entitled "*The Portfolio*" below and in the 2015 Prospectus. See "*Description of the Refinancing Notes*" and "*The Portfolio - Collateral Quality Tests*".

RISK FACTORS

An investment in the Refinancing Notes involves certain risks, including the risk that investors will lose their entire investment. Prospective investors should carefully consider the following factors, in addition to the "Risk Factors" section of the 2015 Prospectus and matters set forth elsewhere in this Prospectus and the 2015 Prospectus, prior to investing in the Refinancing Notes. To the extent any statement in this "Risk Factors" section conflicts with any statement in the "Risk Factors" section of the 2015 Prospectus, the statements herein shall supersede any such statements in the 2015 Prospectus.

The following limited supplemental disclosure is being provided to prospective investors to inform them of certain risks arising from the issuance of the Refinancing Notes, but does not purport to (and none of the Issuer, the Initial Purchaser, the Investment Manager or their respective affiliates makes any representations that it purports to) comprehensively update the 2015 Prospectus or disclose all risk factors (whether legal or otherwise) which may arise by or relate to the issuance of the Refinancing Notes.

The Initial Purchaser (i) did not participate in the preparation of the 2015 Prospectus, any Monthly Report or any Payment Date Report, (ii) has not made a due diligence inquiry as to the accuracy or completeness of the information contained in the 2015 Prospectus, (iii) is relying on representations from the Issuer as to the accuracy and completeness of the information contained in the 2015 Prospectus (other than the Investment Manager Information), the Monthly Reports and the Payment Date Reports and (iv) shall have no responsibility whatsoever for the contents of the 2015 Prospectus, any Monthly Report or any Payment Date Report.

GENERAL

Relating to the Refinancing Notes

The Issuer provides limited information about its past operating history, investment performance and other matters relating to its operations. The Issuer commenced operations under the Trust Deed on the Original Issue Date. While each of the most recent Monthly Report and the Payment Date Report (each as defined in the 2015 Prospectus) prior to the Refinancing Date with respect to the Collateral Debt Obligations has been filed with the Irish Stock Exchange at http://www.ise.ie/app/announcementDetails.aspx?ID=13360294 and http://www.ise.ie/app/announcementDetails.aspx?ID=13360279, such information has not been audited or otherwise reviewed by any accounting firm.

The information provided in the Monthly Reports and the Payment Date Reports, including the most recent Monthly Report and the most recent Payment Date Report is limited and does not provide a full description of all Collateral Debt Obligations previously held or sold by the Issuer, nor the gains or losses associated with purchases or sales of Collateral Debt Obligations, nor the levels of compliance with the Coverage Tests and Collateral Quality Tests during periods prior to the periods covered by such Monthly Report or such Payment Date Report, as applicable. Each Monthly Report and Payment Date Report contains information as of the dates specified therein and none of the Monthly Reports or the Payment Date Reports are calculated as of the date of this Prospectus. As such, the information in the most recent Monthly Report and the Payment Date Report may no longer reflect the characteristics of the Collateral Debt Obligations as of the date of this Prospectus or on or after the Refinancing Date. In preparing and furnishing the most recent Monthly Report and the most recent Payment Date Report and all other Monthly Reports and Payment Date Reports, the Issuer will rely conclusively on the accuracy and completeness of the information or data regarding the Collateral Obligations that has been provided to it by the Collateral Administrator (which will rely conclusively, in turn, on the accuracy and completeness of certain information provided to it by the Collateral Manager and third parties) (and reviewed by the Investment Manager), and the Issuer will not verify, re-compute, reconcile or recalculate any such information or data. In addition, the information contained in the Payment Date Reports and the Monthly Reports is dependent in part on interpretations, calculations and/or determinations made by the Issuer, the Collateral Administrator and the Investment Manager. The accuracy of the Payment Date Reports and the Monthly Reports, and the information included therein, is therefore subject to the accuracy of the interpretations, calculations and/or determinations of the Issuer, the Collateral Administrator and the Investment Manager. None of the Initial Purchaser, the Investment Manager or the Collateral Administrator is responsible to investors for, and makes no representation or warranty, express or implied, as to the accuracy or completeness of any Monthly Report or Payment Date Report.

The composition of the Collateral Debt Obligations will change over time as a result of (i) scheduled and unscheduled principal payments on the Collateral Debt Obligations, (ii) sales of Collateral Debt Obligations and reinvestment of Sale Proceeds and other Principal Proceeds and (iii) other factors, subject to the limitations described in the Conditions.

No information is provided in this Prospectus regarding the Issuer's investment performance and portfolio and no information is provided in this Prospectus regarding any other aspect of the Issuer's operations. While the Issuer believes that it has complied with the requirements of the Trust Deed, no assurance can be given that neither the Issuer nor the Investment Manager has unintentionally failed to comply with one or more of their respective obligations under the Trust Deed or the Investment Management and Collateral Administration Agreement, nor that any such failure will not have a material adverse effect on holders in the future.

UK Referendum on Membership of the European Union

On 23 June 2016, the United Kingdom (the "**UK**") held a referendum to decide on the UK's membership of the European Union. The UK vote was to leave the European Union. The European Union (Notification of Withdrawal) Bill was passed on 13 March 2017 and received Royal Assent on 16 March 2017. There are a number of uncertainties in connection with the future of the UK and its relationship with the European Union. The negotiation of the UK's exit terms is likely to take a number of years. Until the terms and timing of the UKs exit from the European Union are clearer, it is not possible to determine the impact that the referendum, the UK's departure from the European Union and/or any related matters may have on the business of the Issuer, 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 European Union 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.

Regulatory Risk – UK manager/Retention Holder

If the UK were, as a consequence of leaving the EU, no longer within the scope of EU Directive 2004/39/EC on Markets in Financial Instruments ("**MiFID**"") passporting regime or third country recognition of the UK or a Dutch domestic exemption or exception is not in place, then (a) a UK manager such as the Investment Manager may be unable to continue to provide investment management services to the Issuer in reliance upon the passporting of relevant regulated services within the EU on a cross-border basis provided for under MiFID and (b) the Investment Manager may not be able to continue to act as Retention Holder to the extent it was required to hold the retention solely as "sponsor" in accordance with the EU Retention Requirements (even if the Investment Manager were to remain subject to UK financial services regulation) unless any EU Retention Cure Action intended to enable the Investment Manager to take any action as it may deem reasonably necessary or appropriate with the intention of complying with, or preserving compliance with, the EU Retention Requirements has been taken in accordance with the terms of the Transaction Documents. If the Retention Holder no longer qualifies as a "sponsor" and no EU Retention Cure Action is, or can be taken, the transaction will no longer comply with the EU Retention Requirements. See "*Risk Factors – Regulatory Initiatives – EU Retention Requirements"* and *"The EU Retention Requirements"* of this Prospectus.

Ratings actions

Following the result of the Referendum, S&P has downgraded the UK's sovereign credit rating and each of S&P 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, the recent downgrades of the UK's sovereign credit rating and 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 Refinancing Notes and therefore, the Noteholders.

S&P

On 21 January 2015, 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. 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.

While none of these settlements concern S&P ratings of CLOs, alleged inaccuracy of S&P ratings for one type of securitisation may raise questions as to their accuracy for other types of securitisations, including CLOs.

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 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 acknowledged that this has resulted in the U.S. courts coming to a decision "directly at odds with the judgment 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 26 June 2016, Judge Shelley Chapman in the same court disagreed with Judge Peck and ruled in a different group of proceedings commenced by the Lehman Brothers Chapter 11 debtors that a series of flip clauses were enforceable for several reasons, including the protection of those clauses by provisions in the U.S. Bankruptcy Code known as "safe harbors". Lehman has filed a notice of appeal with regards to the decision. Given the current state of U.S. and English law, this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies. 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 Payment, 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 Payment 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 Payment, it is possible that termination payments due to the Hedge Counterparties would not be subordinated as envisaged by the Priorities of Payment 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.

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

Various interest rate benchmarks (including the London Inter-Bank 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 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;

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

    (i) such rate of interest will then be determined by the provisions of the affected Collateral 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 to the Hedge Counterparty 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;

(c) in the case of a change to EURIBOR, if the EURIBOR benchmarks referenced in Condition 6 (Interest) is discontinued, interest on the Floating Rate Notes will be calculated under Condition 6(e) (Interest on the Rated Notes); and

(d) the administrator of LIBOR or EURIBOR will not have any involvement in the Collateral Debt Obligations or the Refinancing Notes and may take any actions in respect of LIBOR or EURIBOR, as the case may be, without regard to the effect of such actions on the Collateral Debt Obligations or the Refinancing Notes.

In general, any of the above or any other significant change to the setting or existence of LIBOR or EURIBOR 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 and (ii) the Refinancing 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.

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 anticorruption and anti-bribery laws, and regulations (collectively, the "**Requirements**"). Any of the Issuer, the Initial Purchaser, the Investment Manager or the Trustee could be requested or required to obtain certain assurances from prospective investors intending to purchase Refinancing 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 Investment Manager and the Trustee will comply with Requirements to which they are or may become subject and to interpret such Requirements broadly in favour of disclosure. Failure to honour any request by the Issuer, the Initial Purchaser, the Investment 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 Investment Manager or the Trustee to comply with any 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 Refinancing Notes. In addition, it is expected that each of the Issuer, the Initial Purchaser, the Investment 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.

Third Party Litigation; Limited Funds Available

The Issuer's investment activities may subject it 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. The expense of defending against claims against the Issuer by third parties and paying any amounts pursuant to settlements or judgments would be borne by the Issuer in accordance with the Priorities of Payment. 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. 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 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.

TAXATION

*European Financial Transaction Tax – ("**FTT**")*

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the "**Commission's Proposal**") for a FTT to be adopted in certain participating EU member states (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (each, other than Estonia, the "**Participating Member States**"), although 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 would include the Issuer) in relation to "financial transactions" (which could 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 (including concluding swap transactions and/or purchases or sales of securities) if it is adopted based on the Commission's Proposal. Any such tax liabilities may reduce amounts available to the Issuer to meet its obligations under the Refinancing Notes and may result in investors receiving less interest and/or principal than expected in respect of the Refinancing Notes. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Refinancing 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 Participating Member States. It may therefore be altered prior to implementation, the timing of which remains unclear. Additional EU member states may decide to participate. Prospective holders of the Refinancing 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.

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 in law and practice are occurring as a result of the Organisation for Economic Co-operation and Development's ("**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. The definition of "permanent establishment" and the scope of the exemption for an "agent of independent status" have also been considered under action point 7 ("**Action 7**"). On 5 October 2015, the OECD released its final recommendations, including in respect of Action 6 and Action 7. On 24 November 2016, more than 100 jurisdictions (including the United Kingdom and The Netherlands) concluded negotiations on a multilateral convention that is intended to implement a number of BEPS related measures swiftly, including Action 6 and Action 7. The multilateral convention opened for signing as of 31 December 2016 and was signed by over 70 jurisdictions (including the United Kingdom and The Netherlands) 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.

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.

Action 6

Action 6 is intended to prevent the granting of treaty benefits in inappropriate circumstances. Whether the Issuer will be subject to United Kingdom corporation tax may depend on whether it can benefit from Articles 5 and 7 of the UK-Netherlands double tax treaty. Further, it is expected that the Issuer will rely on the interest and other articles of treaties entered into by The Netherlands 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, 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 "principal purpose test", if adopted, would be applied by either the tax authorities of those jurisdictions from which payments are made to the Issuer or the United Kingdom in relation to the application of Articles 5 and 7 of the UK-Netherlands double tax treaty.

The multilateral convention also permits jurisdictions to choose to apply, in addition to the PPT, a simplified "limitation on benefits" rule. This rule would generally deny a treaty benefit if the Issuer were 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: (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 per cent. 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; or (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 is engaged in the "active conduct of a business" in The Netherlands 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 the United Kingdom and The Netherlands provided a provisional list of expected reservations and notifications to be made pursuant to it. In the United Kingdom list (the "**UK Notification**") the United Kingdom has not elected to apply the simplified limitation of benefits rule or to allow other jurisdictions to apply it to its treaties. In the equivalent document provided by The Netherlands it also 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 The Netherlands has entered into with the United Kingdom and other jurisdictions are expected to only apply a PPT. 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.

Action 7

Action 7 is intended to prevent the artificial avoidance of permanent establishment status. Whether the Issuer will be subject to United Kingdom corporation tax may depend on whether the Investment Manager is regarded as an agent of independent status for the purpose of Article 5(6) of the UK-Netherlands double tax treaty.

Amendments to be made by the multilateral convention would exclude the Investment Manager from the definition of an independent agent if it acts exclusively, or almost exclusively, on behalf of enterprises which it is closely related. A person is closely related to an enterprise if, based on all the relevant facts and circumstances, one has control of the other or both are under the control of the same persons or enterprises. In any case, a person is considered to be closely related to an enterprise if one possesses directly or indirectly more than 50 per cent of the beneficial interest in the other (or, in the case of a company, more than 50 per cent of the aggregate vote and value of the company's shares or of the beneficial equity interest in the company) or if another person possesses directly or indirectly more than 50 per cent of the beneficial interest (or, in the case of a company, more than 50 per cent of the aggregate vote and value of the company's shares or of the beneficial equity interest in the company) in the person and the enterprise. It is not clear in what other circumstances "control" might exist.

In the UK Notification, the United Kingdom reserved against the adoption of this Action 7 recommendation in all of its double tax treaties.

Consequences of a denial of treaty benefits

Provided that the Issuer carries on investment activities as opposed to a trade, the incorporation of the final recommendations for Action 6 and Action 7 into the UK-Netherlands double tax treaty is not expected to affect the Issuer's exposure to United Kingdom corporation tax.

However, if the Issuer were to be trading, and if the UK-Netherlands double tax treaty were amended to incorporate the final recommendations for Action 6 (and/or contrary to the indication given in the UK Notification, Action 7) then there may be a risk that the Issuer could be treated as having a taxable permanent establishment in the United Kingdom

If, as a consequence of the application of either Action 6 and/or Action 7, UK tax were imposed on the net income or profits of the Issuer, the amount of UK tax due would likely be significant on the basis that some or all of the interest which it pays on the Refinancing Notes may not be deductible for UK tax purposes. If UK imposed tax on the net income or profits of the Issuer, this will constitute a Note Tax Event, which may result in an optional redemption (in whole but not in part) of the Refinancing Notes of each Class in accordance with Condition 7(g) (*Redemption following Note Tax Event*).

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

If a Collateral Tax Event were to occur, the Rated Notes may be redeemed (in whole but not in part) at the option of the Subordinated Noteholders, acting by Ordinary Resolution. See Condition 7(b) (*Optional Redemption*).

U.S. Tax Treatment of the Issuer

The Issuer intends to conduct its affairs in a manner designed to prevent the Issuer from being treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes. Prospective investors should be aware, however, that no opinion of counsel or ruling from the IRS will be sought regarding this aspect of the U.S. federal income tax treatment of the Issuer. Accordingly, there can be no assurance that the IRS will agree. If the IRS were successfully to assert that the Issuer is engaged in a U.S. trade or business there could be material adverse financial consequences to the Issuer and to persons who hold the Notes. 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.

U.S. Tax Characterisation of the Refinancing Notes

Upon the issuance of the Refinancing 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 Investment Manager, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be treated as debt of the Issuer for U.S. federal income tax purposes.

The Issuer has agreed and, by its acceptance of a Refinancing Note, each holder (and any beneficial owners of any interest therein) will be deemed to have agreed, to treat the Refinancing Notes as debt of the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law and for certain limited purposes (as described in "*Tax Considerations – United States Federal Income Taxation*"). The determination of whether a Refinancing Note will be treated as debt for U.S. federal income tax purposes is based on the facts and circumstances existing at the time the Refinancing 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 as something other than indebtedness any particular Class or Classes of the Refinancing Notes. If any of the Refinancing Notes were treated as equity for U.S. federal income tax purposes, adverse U.S. federal income tax consequences might apply. See "*Tax Considerations - United States Federal Income Taxation - Alternative Characterisation of the Rated Notes*" below and in the 2015 Prospectus.

U.S. Foreign Account Tax Compliance Act Withholding

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income, and on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into between the United States and The Netherlands, the Issuer will not be subject to withholding under FATCA if it complies with Dutch implementing legislation that is expected to require the Issuer to provide the name, address, and taxpayer identification number of, and certain other information with respect to, certain holders of Notes to the applicable Netherlands tax authority, which would then provide this information to the IRS. The Issuer expects to comply with the intergovernmental agreement and an applicable implementing legislation; however, there can be no assurance that the Issuer will be able to do so. Moreover, FATCA could be amended to require the Issuer to withhold on "passthru" payments to holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

If a Noteholder fails to provide the Issuer or its agents with any correct, complete and accurate information or documentation that is requested in connecting with FATCA or may be required for the Issuer to comply with FATCA, or if the Noteholder's ownership of any Notes would otherwise cause the Issuer to fail to comply with FATCA or to be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise

distributable to the Noteholder, 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, to sell the Noteholder's Notes on behalf of the Noteholder.

Diverted Profits Tax

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

The DPT may apply in circumstances where arrangements are designed to ensure either: (i) that the non-UK resident trading company does not carry on a trade in the United Kingdom for corporation tax purposes through a permanent establishment; or (ii) that a tax reduction is secured through the involvement of entities lacking economic substance. The DPT is a relatively new tax and its scope and the basis upon which it will be applied by HM Revenue & Customs remains uncertain. Imposition of such a tax by the UK tax authorities may also give rise to a Note Tax Event and an Optional Redemption subject to and in accordance with the Conditions.

Dutch Value Added Tax Treatment of the Investment Management Fees

The Issuer expects to earn a minimum profit that is subject to Dutch corporate tax but that no Dutch VAT should be payable on the Investment Management Fees, subject to what follows. This is on the basis of article 11(1)(i)(3) of the Dutch VAT act based upon Article 135(1)(g) of the VAT Directive, which provides that EU member states shall exempt from VAT the management of "special investment funds" (as defined by the relevant EU member state). There can be no assurance, however, that the Issuer will not be or in the future become subject to further tax by the Netherlands or some other jurisdiction. In the event that tax is imposed on the Issuer, the Issuer's ability to repay the Refinancing Notes may be impaired.

In its judgement of *Staatssecretaris van Financiën v Fiscale Eenheid X NV* cs C-595/13 ("**ECJ Fiscale Eenheid X**") the European Court of Justice has ruled that the VAT exemption for investment management services can be applied to: (i) funds which constitute undertakings for collective investment in transferable securities within the meaning of the undertakings for collective investment in transferable securities directive (the "**UCITS Directive**") and (ii) 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).

Following the ECJ Fiscale Eenheid X case, there is a risk that the Issuer may not qualify as a "special investment fund" under the VAT Directive and/or the Dutch VAT act. The Issuer (and other Dutch collateralised loan obligation vehicles) have the benefit of a tax ruling from the Dutch tax authorities (which pre-dates ECJ Fiscale Eenheid X), confirming that the relevant VAT exemption can be applied for investment management services to Dutch collateralised loan obligation vehicles (including the Issuer, once it is registered with the designated tax inspector). There is a risk that, following the ECJ Fiscale Eenheid X case, this tax ruling may not be applicable.

Following the ECJ Fiscale Eenheid X case, the Issuer cannot exclude that the Dutch tax authorities (Belastingdienst) may seek to change their position in the future and Dutch VAT may be imposed on the Investment Management Fees.

REGULATORY INITIATIVES

Basel III

Investors should note that the Basel Committee on Banking Supervision ("**BCBS**") has approved significant changes to the Basel regulatory capital and liquidity framework (such changes being commonly referred to as "**Basel III**") and has proposed certain revisions to the securitisation framework. 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 Basel III from 1 January 2013, subject to transitional and phase-in arrangements for certain requirements (for example, the LCR requirements refer to implementation from the start of 2015, with full implementation by January 2019, and the NSFR requirements refer to implementation from January 2018). As

implementation of any changes to the Basel framework (including those made via Basel 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 are coming for insurance and reinsurance undertakings through national initiatives, such as the Solvency II framework in Europe. Regulated investors, including credit institutions, investment firms, insurance and reinsurance undertakings, are responsible for analysing their own regulatory position and none of the Issuer, the Placement Agent, the Investment Manager, the Trustee nor any of their affiliates makes any representation or warranty to any such prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment in the Notes on the Issue Date or at any time in the future.

EU Retention Requirements

Investors should be aware of 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, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings and UCITS funds. Such requirements as they apply to credit institutions and investment firms (pursuant to the CRR Retention Requirements) and authorised alternative investment fund managers (pursuant to the AIFMD Retention Requirements) are currently in force. 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 investment position, the underlying assets and (in the case of certain types of investors) the relevant sponsor, original lender 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 5 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, and could have a negative impact on the price and liquidity of the Notes in the secondary market. Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear.

The risk retention and due diligence requirements described above apply, or are expected to apply, in respect of the Notes for certain investors. Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. With respect to the commitment of the Retention Holder to retain a material net economic interest in the securitisation, see further "*The EU Retention Requirements*" below.

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 Placement Agent, the Investment Manager, the Trustee nor any of their Affiliates makes any representation that the information described above is sufficient in all circumstances for such purposes.

Investors should note that changes have been proposed with respect to the EU Retention Requirements. The European Commission has published legislative proposals in respect of the Securitisation Regulation and political agreement on the proposals was reached in May 2017. Amongst other things, the proposals include provisions intended to implement the revised securitisation framework developed by the BCBS 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. While full details with respect to the agreed position are not yet available, it appears that there will be material differences between the coming new requirements and the current requirements, including but not limited to additional requirements with respect to the application approach under the EU Retention Requirements and the originator entities eligible to retain the required interest.

It is not clear whether, and in what form, the Securitisation Regulation (and any corresponding technical standards) will be adopted and/or when any such adoption may occur. In particular, the proposed restriction in relation to originators may be adopted in a different and/or more restrictive form to that proposed by the European Commission (including in a manner which imposes jurisdictional limits, as to which see further "*UK Referendum on Membership of the European Union*" above) and/or other changes to the risk retention requirements (including to the technical standards) applicable to securitisations such as this transaction and any affected investors may be made through the political negotiation process and adopted. The compliance position

under any adopted and potentially revised requirements of transactions entered into, and of activities undertaken by a party (including an investor), prior to (and, in certain circumstances, on and after) adoption is uncertain. While certain provisions in the legislative proposals suggest that transactions issued prior to the application date of the corresponding regulation would not be subject to the new retention requirements, there can be no assurances as to whether the transactions described herein and any investors in the Notes will be affected, if at all, by any change which may be adopted in any final law or regulation (including any regulatory technical standards) relating to the EU Retention Requirements.

With respect to the commitment of the Retention Holder to retain a material net economic interest in the transaction contemplated by this Prospectus, investors should note the information set out in "*The EU Retention Requirements*" below. In particular, investors should note that the Retention Holder intends as of the Issue Date to retain such material economic interest on an ongoing basis as "sponsor" pursuant to the EU Retention Requirements. However, the UK's departure from the EU may result in the Investment Manager being unable to continue to act as Retention Holder as "sponsor". As detailed in "*The EU Retention Requirements*" below, the Investment Manager may in its sole discretion, having determined that a Retention Compliance Event has occurred, take any 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 (such action, a "**Retention Cure Action**") subject to (i) internal approval of the Retention Cure Action in accordance with the Investment Manager's usual policies and procedures and (ii) the Retention Cure Action being consistent with the EU Retention Requirements and the Investment Manager having received legal advice from reputable legal counsel as selected in the Investment Manager's sole discretion to confirm the same (which such advice shall be disclosed to the Issuer and the Trustee). The Investment Manager will not have any obligation to consider or take any Retention Cure Action and, if the Investment Manager does not take any Retention Cure Action, it may no longer be eligible to act as the Retention Holder pursuant to the EU Retention Requirements.

To the extent the Securitisation Regulation imposes disclosure or reporting requirements on the Issuer, the Issuer has agreed to assume the costs of compliance with such requirements, which will be paid as Administrative Expenses.

The EU risk retention and due diligence requirements described above and any other changes to the regulation or the regulatory capital 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. Without limitation to the foregoing, no assurance can be given that the EU Retention Requirements, or the interpretation or application thereof, will not change, (whether as a result of the legislative proposals put forward by the European Commission or otherwise) and, if any such change is effected, whether such change would affect the regulatory position of current or future investors in the Notes.

U.S. Risk Retention Requirements

The final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act ("**U.S. Risk Retention Rules**") require, unless an exemption is available, the "sponsor" of a securitisation transaction (or a "majority-owned affiliate" of the sponsor) to retain no less than 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 for several permissible forms through which a sponsor can satisfy the Minimum Risk Retention Requirement, including retaining (or having a majority-owned affiliate retain) an eligible vertical interest consisting of not less than five per cent. of the principal amount of each class of asset-backed securities issued in a securitisation transaction.

The Retention Holder intends to satisfy the requirements under the U.S. Risk Retention Rules by purchasing an "eligible vertical interest" (as defined in the U.S. Risk Retention Rules) of the Notes on the Issue Date and will retain the "eligible vertical interest" as long as required by the U.S. Risk Retention Rules. See "*U.S. Credit Risk Retention*" below.

The failure by the Retention Holder to comply with the U.S. Risk Retention Rules may result in regulatory actions and other proceedings being brought against the Retention Holder, which could result in the Retention Holder being required, among other things, to pay damages, transfer interests and/or acquire additional Notes (which may or may not be available at such time for acquisition) or be subject to cease and desist orders or other regulatory action. In addition, a failure to remedy non-compliance with the U.S Risk Retention Rules may also trigger a "cause" event (in respect of the Retention Holder in its capacity as Investment Manager) under the Investment Management and Collateral Administration Agreement and/or subject the Retention Holder to adverse publicity and reputational risk resulting from such non-compliance. In addition, given the lack of clarity under the U.S. Risk Retention Rules with respect to the identity of the party responsible for holding the Retention Interest upon a removal of the Investment Manager, if the applicable Noteholders desire to remove the Investment Manager in connection with any such "cause" event, there may be no successor investment manager willing to accept appointment as such, in which case the Investment Manager will be required to continue to act as Investment Manager under the Investment Management and Collateral Administration Agreement. As a result of any of the foregoing, the failure of the Retention Holder to comply with the U.S. Risk Retention Rules may have a material and adverse effect on the market value and/or liquidity of the Notes as well as on the business, condition (financial or otherwise), assets, operations or prospects of the Issuer and/or the Retention Holder.

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 an "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 Trust Deed and 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 Notes 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. Due to the applicability of the U.S. Risk Retention Rules to any such additional issuance, refinancing or re-pricing, it is a condition to the Issuer effecting an additional issuance, Refinancing or re-pricing that the Investment Manager provide its prior written consent thereto. In granting or withholding such consent, it should be expected that the Investment Manager will act in its own self-interest (and will not take into account the interests of any other Person, including the Issuer and/or any Noteholders) and not consent to any of the foregoing actions if to do so might cause the Investment Manager to be in violation of the U.S. Risk Retention Rules or may not consent if it might increase the amount of the eligible vertical interest required to be held by the Retention Holder. 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 or other material amendment and may affect the liquidity of the Notes. Furthermore, no assurance can be given as to whether the U.S. Risk Retention Rules will have any material adverse effect on the business, financial condition or prospects of the Retention Holder, the Issuer or the Noteholders or on the market value or liquidity of the Notes.

The impact of the U.S. Risk Retention Rules on the loan securitisation market and the leveraged loan market generally continues to be uncertain, and any negative impact on secondary market liquidity for the Notes may be experienced immediately, due to effects of the rule on market expectations or uncertainty and the relative appeal of alternative investments not impacted by the rule or other factors. In addition, it is possible that the U.S Risk Retention Rules may reduce the number of collateral managers active in the 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 Investment 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 Portfolio and reduce the market value or liquidity of the Notes. Any reduction in the volume and liquidity provided by CLOs in the leveraged loan market could also reduce opportunities to redeem or refinance the Notes.

The statements contained herein regarding the U.S. Risk Retention Rules are based on publicly available information solely as of the date of this Prospectus. The ultimate interpretation as to whether any action taken by an entity complies with the U.S. Risk Retention Rules will be a matter of interpretation by the applicable governmental authorities or regulators. No assurance can be given that the U.S. Risk Retention Rules will not change or be superseded by changes in law. There is limited established line of authority, precedent or market practice that provides guidance with respect to compliance with the U.S. Risk Retention Rules in connection with any actions of the Issuer after the rule becomes effective. Moreover, any applicable governmental authority or regulator could provide guidance or state views on compliance with the U.S. Risk Retention Rules that

materially alter current interpretations or views with respect to the U.S. Risk Retention Rules. Any changes or further guidance may result in the Retention Holder failing to comply with the U.S. Risk Retention Rules and may have a material adverse effect on the Retention Holder, the Issuer or the Noteholders.

EMIR

The European Market Infrastructure Regulation EU 648/2012 ("**EMIR**") entered into force on 16 August 2012. EMIR and the regulations made under it impose certain obligations on parties to OTC derivative contracts according to whether they are "financial counterparties" such as investment firms, alternative investment funds, credit institutions and insurance companies, or other entities which are "non-financial counterparties".

Financial counterparties will be subject to a general obligation (the "**clearing obligation**") to clear through a duly authorised or recognised central counterparty 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**") (in which respect the Issuer may appoint one or more reporting delegates) 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 derivatives 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 Hedging Agreements.

Non-financial counterparties are excluded from the clearing obligation and certain of the risk mitigation obligations provided the gross notional value of all derivative contracts entered into by the non-financial counterparty and other non-financial counterparties within its "group" (as defined in EMIR), excluding eligible hedging transactions, do not exceed certain thresholds. If the Issuer is considered to be a member of such a "group" (as defined in EMIR) and if the notional value of derivative contracts entered into by the Issuer or other non-financial counterparties within any such group exceeds the applicable threshold, the Issuer would be subject to the clearing obligation. Whilst the asset swaps to be entered into by the Issuer are expected to be treated as hedging transactions and deducted from the total in assessing whether the notional value of derivative contracts entered by the Issuer or its "group", the regulator may take a different view. If the Issuer exceeds the applicable clearing thresholds, it would also be subject to the full set of risk mitigation obligations and would be required to post collateral in respect of non-cleared OTC derivative contracts. The Issuer would be unable to comply with such requirements, which could result in the sale of Non-Euro Obligations and/or termination of relevant Hedge Agreements. Hedge counterparties may also be unable to enter into hedge transactions with the Issuer. This would limit the Issuer's ability to invest in Non-Euro Obligations and put it in breach of its obligation to enter into Asset Swap Transactions with respect to any Non-Euro Obligations it has purchased. Any termination of a Hedge Agreement as a result of non-compliance with such requirements or as a result of the Issuer becoming a financial counterparty as described above or otherwise would expose the Issuer to costs and increased interest rate or currency exchange rate risk until the hedged assets can be sold.

The Conditions allow the Issuer and oblige the Trustee, without the consent of any of the Noteholders, to concur with the Issuer in the making of modifications to the Transaction Documents and/or the Conditions which the Issuer certifies are required to comply with the requirements of EMIR which may become applicable at a future date.

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 derivatives such as Asset Swap Transactions and Interest Rate Hedge Transactions) and may adversely affect the Issuer's ability to enter the currency hedges and therefore the Issuer's ability to acquire Non-Euro Obligations. 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. 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 EU 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 adoption is uncertain. No assurances can be given that any changes made to EMIR would not cause the status of the Issuer to change and lead to some or all of the potentially adverse consequences outlined above.

Alternative Investment Fund Managers Directive

AIFMD became effective on 22 July 2013, and introduces 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 AIFMD, it would need to be managed by a manager authorised under AIFMD (an "**AIFM**"). The Investment Manager is not authorised under AIFMD. In addition, if considered to be an AIF, the Issuer would also be classified as a "financial counterparty" under EMIR and may be required to comply with clearing obligations with respect to Hedge Transactions including obligations to post margin to any central clearing counterparty or market counterparty. See also "EMIR" above.

There is an exemption from the definition of AIF in AIFMD for "securitisation special purpose entities" (the "**SSPE Exemption**"), defined by reference to securitisation within the meaning of Article 1(2) of Regulation (EC) No 24/2009 of the European Central Bank of 19 December 2008. 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 Investment 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 AIFMD may affect the return investors receive from their investment.

If the Issuer were to be considered an AIF and an AIFM were to be appointed to manage the Issuer's assets, such AIFM would need to comply with a number of requirements under AIFMD, including the appointment of a custodian in respect of the Issuer's assets and compliance with certain reporting and disclosure obligations. Compliance with AIFMD by any such AIFM appointed by the Issuer will involve significant additional costs which again may affect the return investors receive from their investment.

The Conditions oblige the Trustee, without the consent of any of the Noteholders, to concur with the Issuer in the making of modifications to the Transaction Documents and/or the Conditions which the Issuer certifies are required to comply with the requirements of AIFMD which may become applicable in the future.

Volcker Rule

Section 619 of the Dodd–Frank Act and the corresponding implementing rules (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, among other things, (i) engaging in proprietary trading in financial instruments unless the transaction is excluded from the scope of the rule, or (ii) acquiring or retaining any "ownership interest" in, or in "sponsoring", a "covered fund", subject to certain exemptions and exclusions. In addition, in certain circumstances, the Volcker Rule restricts relevant banking entities from entering into certain transactions with covered funds. Full conformance with the Volcker Rule was required from 21 July 2015.

The definition of "**covered fund**" in the Volcker Rule generally includes any entity that would be an investment company under the Investment Company Act of 1940, but for the exemption provided under Sections 3(c)(1) or 3(c)(7) thereunder, as well as certain types of commodity pools (as defined under the CEA). However, an investment vehicle that relies or could rely on an exemption from the definition of "investment company" under the Investment Company Act other than Sections 3(c)(1) or 3(c)(7) is excluded from the definition of "covered fund". It is the intention of the Issuer and the Investment Manager to structure the Issuer's affairs to comply with Rule 3a-7 under the Investment Company Act ("**Rule 3a-7**"") in order that the Issuer does not fall within the definition of "covered fund" for the purposes of the Volcker Rule. However, there can be no assurance that the Issuer will not be treated as a "covered fund" or that the Issuer will be viewed by a regulator in the United States as having complied with Rule 3a-7. It should be noted that a "**commodity pool**" as defined in the CEA could, depending on which CEA exemption is used by its commodity pool operator, also fall within the definition of a "covered fund" as described above.

If the Issuer is a "covered fund", "banking entities" may be prohibited from acting as a "sponsor" to, or having an "ownership interest" in the Issuer. The Volcker Rule and interpretations thereunder, may restrict or discourage the acquisition of Refinancing Notes by such entities and may adversely affect the liquidity and price of the Refinancing Notes.

"**Ownership interest**" is defined to include, among other things, interests arising through a holder's exposure to profits and losses in a "covered fund" or through the right of a holder to participate in the selection of an investment manager or advisor or the board of directors of a "covered fund". The Transaction Documents provide that the Noteholders, in certain circumstances, will have rights or will have contingent rights in respect of the removal of the Investment Manager and selection of a replacement Investment Manager.

The holders of any Refinancing Notes in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes may not vote for or against any CM Removal Resolution or CM Replacement Resolution and are not included for purposes of determining the quorum for and the outcome of any such vote. However, there can be no assurance that the absence of voting rights with respect to CM Removal Resolutions and CM Replacement Resolutions will result in instruments issued by the Issuer not being characterised as an ownership interest in a covered fund. See also "*Resolutions, Amendments and Waivers*" below.

Each investor in the Refinancing Notes must make its own determination as to whether it is subject to the Volcker Rule, whether its investment in the Refinancing Notes would be restricted or prohibited under the Volcker Rule, whether its investment in any Class of Refinancing Notes constitutes an "ownership interest", and the potential impact of the Volcker Rule on its investment, including the impact of the Volcker Rule on the liquidity of the Refinancing Notes.

Investors in the Refinancing Notes are responsible for analysing their own regulatory position and none of the Issuer, the Initial Purchaser, the Investment Manager, the Trustee, the Agents nor any of their affiliates makes any representation to any prospective investor or purchaser of the Refinancing Notes regarding the application of the Volcker Rule to the Issuer, or to such investor's investment in the Refinancing Notes on the Refinancing Date or at any time in the future.

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.

Council Directive 2011/16/EU on Administrative Co-operation in the Field of Taxation (as amended by Council Directive 2014/107/EU) ("**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).

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

The Netherlands has enacted legislation to implement the requirements of the CRS and DAC II into Dutch law, under which a Dutch FIs (such as the Issuer), will be obliged to make a single return in respect of the CRS and DAC II. For the purposes of complying with its obligations under the CRS and DAC II, a Dutch 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 the 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 Dutch Tax Authorities. The information will be provided to the Dutch Tax Authorities (Belastingdienst) who will exchange the information with the tax authorities of other

participating jurisdictions, as applicable. Failure by the Issuer 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 Dutch legislation.

RELATING TO THE REFINANCING NOTES

Optional Redemption

Reference is made to the section *"Risk Factors – Relating to the Notes - The Notes are subject to Optional Redemption in Whole or in Part by Class"* in the 2015 Prospectus. Pursuant to the Conditions, the Rated Notes may not be redeemed in whole from Refinancing Proceeds at any time prior to the expiry of the period ending on 12 October 2018. In addition, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes may not be redeemed in part from Refinancing Proceeds. See Condition 7(b) (*Optional Redemption*).

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

The SEC adopted Rule 17g-10 to the Exchange Act on 27 August 2014. Rule 17g-10 applies 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). 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 Refinancing Notes. In such case, the price or transferability of the Refinancing Notes (and any beneficial owner of Refinancing Notes that relies on ratings of securities for regulatory or other compliance purposes) may be adversely affected. No assurance can be given as to whether any certification will be given by the Issuer or any applicable third party service provider to the Rating Agencies in circumstances where such certification is deemed to be required under Rule 17g-10.

Retention Financing

The Investment Manager may from time to time enter into financing arrangements in respect of the Retention Notes that it is required to acquire in order to comply with the Retention Requirements and could grant security over, or transfer title to, the Retention Notes in connection with any such financing. Such financing arrangements would be on full-recourse terms. If the collateral arrangements in respect of such financing are by way of title transfer, the Investment Manager would retain the economic risk in those Refinancing Notes but not legal ownership of them. None of the Initial Purchaser, the Investment Manager, any Agent, the Issuer, the Trustee or any of their respective Affiliates makes any representation, warranty or guarantee that such financing arrangements will comply with the Retention Requirements. In particular, should the Investment Manager default in the performance of its obligations under any such financing arrangements, the lender thereunder may have the right to enforce the security granted by the Investment Manager, including effecting the sale or appropriation of some or all of the Retention Notes or, if the collateral arrangements in respect of such financing are by way of title transfer, the Investment Manager would most likely not be entitled to have the Retention Notes (or equivalent securities) retransferred to it. In exercising its rights pursuant to any such financing arrangements, the lender would not be required to have regard to the Retention Requirements and any such sale or appropriation may therefore cause the transaction described in this Prospectus to be non-compliant with the Retention Requirements.

The term of any retention financing may also be considerably shorter than the effective term of the Refinancing Notes, requiring the Investment Manager to repay or refinance the retention financing whilst some or all Classes of Notes are Outstanding. If refinancing opportunities were limited at such time and the Investment Manager was unable to repay the retention financing from other sources, the Investment Manager 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 Prospectus to be noncompliant with the Retention Requirements.

Amendments to the Investment Management and Collateral Administration Agreement

Investors should note that pursuant to the Amendment and Supplemental Trust, each of the Maximum Weighted Average Life Test, the S&P CDO Monitor Test and the Moody's Tests Matrices will be amended and each of the S&P Minimum Weighted Average Recovery Rate Test and the S&P Matrix will be deleted. Without limitation to the above, the amendment to the "Maximum Weighted Average Life Test" may affect the average lives of the Notes. See "*Risk Factors – Relating to the Notes – Average Life and Prepayment Considerations*" and "*The Portfolio – Collateral Quality Tests – The Weighted Average Life Test*", in each case in the 2015 Prospectus.

CONFLICTS OF INTEREST

Past performance of Investment Manager not indicative

The past performance of the Investment Manager and principals or Affiliates thereof in managing other portfolios or investment vehicles may not be indicative of the results that the Investment Manager may be able to achieve with the Collateral Debt Obligations. Similarly, the past performance of the Investment 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 Investment 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 Investment 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 Investment Manager and principals and Affiliates thereof.

The Issuer will depend on the managerial expertise available to the Investment 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 Investment 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 of the Issuer will depend, in large part, on the financial and managerial expertise of the Investment 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 Investment Manager. If one or more of the investment professionals of the Investment Manager were to leave the Investment Manager, the Investment 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 Investment Manager" and "Description of the Investment Management and Collateral Administration Agreement".*

Certain Conflicts of Interest Involving or Relating to the Investment Manager and its Affiliates

The following briefly summarises certain potential and actual conflicts of interest which may arise from the overall investment activity of the Investment Manager, its clients and its Affiliates, but is not intended to be an exhaustive list of all such conflicts.

The Investment Manager acquired on the Original Issue Date, and continues to retain, the Original Retention Notes and will on the Refinancing Date subscribe for and, retain, from the Refinancing Date, on an ongoing basis, the Refinancing Retention Notes and undertakes that it will not sell, hedge or otherwise mitigate its credit risk under or associated with the Retention Notes or the Portfolio, except to the extent permitted in accordance with the Retention Requirements, *provided that* (i) if at any time the Investment Manager resigns or is removed from its role as investment manager or its role as investment manager is otherwise terminated, then the Investment Manager may transfer the Retention Notes (whether or not to a replacement investment manager) *provided that* (A) such transfer is at such time permitted in accordance with the EU Retention Requirements and (B) such transfer would not cause the transaction described in this Prospectus to cease to be compliant with the EU Retention Requirements; and (ii) the Investment Manager may at any time transfer the Retention Notes to an Affiliate which is part of the same consolidated accounting group as the Investment Manager *provided that* (A)

such transfer is at such time permitted in accordance with the EU Retention Requirements and (B) such transfer would not cause the transaction described in this Prospectus to cease to be compliant with the EU Retention Requirements. The Investment Manager and its employees, clients and Affiliates may buy additional Notes at any time, from which the Investment Manager or such employees, clients or Affiliates may derive revenues and profits in addition to the fees disclosed herein. There will be no restriction on the ability of the Investment Manager or any Affiliate of the Investment Manager, any director, officer or employee of such entities or any fund or account for which the Investment Manager or its Affiliates exercises discretionary voting authority on behalf of such fund or account in respect of the Refinancing Notes (an "**Investment Manager Related Person**"), the Initial Purchaser, the Collateral Administrator, or any of their respective Affiliates or employees to purchase the Refinancing Notes (either upon initial issuance or through secondary transfers) and to exercise any voting rights to which such Refinancing Notes are entitled.

If an optional redemption, following a Note Tax Event or an acceleration of the Refinancing Notes after an Event of Default occurs, the Investment Manager has the right to bid on all or a portion of the Collateral Debt Obligations for its own account, the account of any Affiliate or an account that it manages, subject to the satisfaction of the requirements set out in the Trust Deed.

The Investment Manager is entitled to the Senior Investment Management Fee, the Subordinated Investment Management Fee and, in certain circumstances, the Junior Investment Management Fee in the priorities set forth herein, subject to the Priorities of Payment as described herein and the availability of funds therefor. By reason of the Junior Investment Management Fee, the Investment Manager may have a conflict between its obligation to manage the Portfolio prudently and the financial incentive created by such fees for the Investment Manager to make investments that are riskier or more aggressive than would be the case in the absence of such fees.

Although the Investment Manager and certain of its officers and employees will devote such time and effort as may be reasonably required to enable the Investment Manager to discharge its duties to the Issuer under the Investment Management and Collateral Administration Agreement, they will not devote all of their working time to the affairs of the Issuer. Further, as part of their regular business, the Investment Manager, its Affiliates and their respective officers and employees hold, purchase, sell, trade or take other related actions both for their respective accounts and for the accounts of their respective clients, on a principal or agency basis, with respect to loans, securities and other investments and financial instruments of all types. The Investment Manager, its Affiliates and their respective officers and employees also provide investment advisory services, among other services. The Investment Manager, its Affiliates and their respective officers and employees will not be restricted in their performance of any such services or in the types of debt or equity investments which they may make. The Investment Manager, its Affiliates and their respective officers and employees may have economic interests in or other relationships with issuers in whose obligations or securities or credit exposures the Issuer may invest. In particular, such persons may make and/or hold an investment in an issuer's securities that may be *pari passu*, senior or junior in ranking to an investment in such issuer's securities made and/or held by the Issuer or in which partners, security holders, officers, directors, agents or employees of such persons serve on boards of directors or otherwise have ongoing relationships. Each of such ownership and other relationships may result in securities laws restrictions on transactions in such securities by the Issuer and otherwise create conflicts of interest for the Issuer. In such instances, the Investment Manager, its Affiliates and their respective officers and employees may in their discretion make investment recommendations and effect investment decisions that may be the same as or different from those made with respect to the Issuer's investments. In connection with any such activities described above, the Investment Manager, its Affiliates and their respective officers and employees may hold, purchase, sell, trade or take other related actions in securities or investments of a type that may be suitable to be included as Collateral Debt Obligations. The Investment Manager, its Affiliates and their respective officers and employees will not be required to offer such securities or investments to the Issuer or provide notice of such activities to the Issuer.

The Investment Manager, its employees, directors, officers, shareholders and agents and their Affiliates ("**Related Entities**") have invested and may continue to invest in debt obligations that would also be appropriate as Collateral Debt Obligations and may purchase or sell securities and loans for or on behalf of themselves and their managed accounts without purchasing or selling such securities or loans for the Issuer and may purchase or sell securities or loans for the Issuer without purchasing or selling such securities or loans for themselves or their managed accounts, subject to any restrictions imposed by applicable law. Neither the Investment Manager nor any Related Entity has any duty, in making or maintaining such investments, to act in a way that is favourable to the Issuer or to offer any such opportunity to the Issuer. The investment policies, fee arrangements and other circumstances applicable to such other parties may vary from those applicable to the Issuer. The Investment Manager and its Related Entities may also have or establish relationships with companies whose

debt obligations are Collateral Debt Obligations and may now or in the future own or seek to acquire equity securities or debt obligations issued by issuers of Collateral Debt Obligations, and such debt obligations may have interests different from or adverse to the debt obligations that are Collateral Debt Obligations. The Investment Manager and/or any Related Entity may in the future organise and manage one or more entities with objectives similar to or different from those of the Issuer. In addition, the Investment Manager and any of its Related Entities may serve as a general partner and/or manager of limited partnerships or other entities organised to issue notes or certificates, similar to the Refinancing Notes, which are secured by high-yield debt securities, loans and other investments, or may manage third party accounts which invest in high-yield debt securities, loans and other investments. The Investment Manager and/or any Related Entity may also provide other advisory services for a fee to issuers whose debt obligations or other securities are Collateral Debt Obligations, and neither the Noteholders nor the Issuer shall have any right to such fees. In connection with the foregoing activities the Investment Manager and/or any Related Entity may from time to time come into possession of material non-public information that limits the ability of the Investment Manager to effect a transaction for the Issuer, and the Issuer's investments may be constrained as a consequence of the Investment Manager's inability to use such information for advisory purposes or otherwise to effect transactions that otherwise may have been initiated on behalf of its clients, including the Issuer.

Furthermore, the Investment Manager's ability to buy obligations (on behalf of the Issuer) for inclusion in the Portfolio or sell obligations which are part of the Portfolio may be restricted by limitations contained in the Investment Management and Collateral Administration Agreement and the Trust Deed. Accordingly, during certain periods or in certain specified circumstances, the Investment Manager (on behalf of the Issuer) may be unable to buy or sell obligations or to take other actions that the Investment Manager might consider in the best interest of the Issuer and the Noteholders. The Investment Manager and any of its Affiliates may engage in any other business and furnish investment management and advisory services to others, which may include, without limitation, serving as Investment Manager for, investing in, lending to, or being Affiliated with, other entities organised to issue collateralised bond or debt obligations secured by securities such as the Refinancing Notes and other trusts and pooled investment vehicles that acquire interests in, provide financing to, or otherwise deal with securities issued by, issuers that would be suitable investments for the Issuer. The Investment Manager will be free, in its sole discretion, to make recommendations to others, or effect transactions on behalf of itself or for others, that may be the same as or different from those effected on behalf of the Issuer, and the Investment Manager may furnish investment management and advisory services to others who may have investment policies similar to those followed by the Investment Manager with respect to the Issuer and who may own securities which are the same type as the Collateral Debt Obligations.

The Investment Manager may, to the extent permitted under applicable law, and subject to compliance with the applicable provisions of the Investment Management and Collateral Administration Agreement, effect client cross-transactions where the Investment Manager causes a transaction to be effected between the Issuer and other fund(s) or account(s) advised by it or any of its Affiliates. In addition, with the prior authorisation of the Issuer, which can be revoked at any time, the Investment Manager may enter into agency cross-transactions where it or any of its Affiliates acts as broker for the Issuer and for the other party to the transaction, to the extent permitted under applicable law and subject to compliance with the applicable provisions of the Investment Management and Collateral Administration Agreement, in which case any such Affiliate will receive commissions from, and have a potentially conflicting division of loyalties and responsibilities regarding, both parties to the transaction. In addition, subject to compliance with the applicable provisions of the Investment Management and Collateral Administration Agreement, the Investment Manager may, to the extent permitted by applicable law, effect transactions between the Issuer and the Investment Manager and/or any of its Affiliates as principal and/or any fund or account for which the Investment Manager or any Affiliate of the Investment Manager serves as investment adviser or investment manager.

The Investment Manager may make recommendations and effect transactions on behalf of its Related Entities which differ from those effected with respect to the Collateral Debt Obligations. The Investment Manager may often be seeking simultaneously to purchase or sell investments for the Issuer, itself and similar entities or other investment accounts for which it serves as Investment Manager or for Related Entities, and the Investment Manager will have the discretion to apportion such purchases or sales among such entities. Prior to the Refinancing Date, the Investment Manager may effect acquisitions of Collateral Debt Obligations or enter into binding commitments to purchase Collateral Debt Obligations on behalf of the Issuer, from funds or other CLOs in relation to which it or any of its Affiliates, may be the investment manager or may exercise investment discretion in relation thereto. The Investment Manager cannot assure equal treatment across its investment clients. When the Investment Manager determines that it would be appropriate for the Issuer and one or more Related Entities to participate in an investment opportunity or sell an investment, the Investment Manager will

seek to execute orders for all of the participating investment accounts, including the Issuer and its own account, on an equitable basis. If the Investment Manager has determined to invest or sell at the same time for more than one of the Related Entities, the Investment Manager will generally place combined orders for all such Related Entities simultaneously and if all such orders are not filled at the same price, it will use reasonable efforts to allocate such purchases and sales in an equitable manner and in accordance with applicable law. Similarly, if an order on behalf of more than one Related Entity cannot be fully executed under prevailing market conditions, the Investment Manager will allocate the investments traded among the Issuer and different Related Entities on a basis that it considers equitable. Situations may occur where the Issuer could be disadvantaged because of the investment activities conducted by the Investment Manager for the Related Entities.

The Investment Manager may participate in creditors' committees with respect to the bankruptcy, restructuring or work out of issuers of Collateral Debt Obligations. In such circumstances, the Investment Manager may take positions on behalf of itself or Related Entities that are adverse to the interests of the Issuer in the Collateral Debt Obligations. The Investment Manager will be entitled to receive any steering committee fees associated with a bankruptcy, restructuring or work out (except any fees received in connection with the extension of the maturity of a Defaulted Obligation or a reduction in the outstanding principal balance of a Defaulted Obligation) received in connection with the work out or restructuring of any Defaulted Obligations or Collateral Debt Obligations.

The Trust Deed places significant restrictions on the Investment Manager's ability to buy and sell Collateral Debt Obligations, and the Investment Manager is required to comply with these restrictions contained in the Trust Deed. Accordingly, during certain periods or in certain circumstances, the Investment Manager may be unable to buy or sell Collateral Debt Obligations or to take other actions which it might consider in the best interests of the Issuer and the Noteholders, as a result of the restrictions set forth in the Trust Deed.

With respect to any vote in connection with the removal of Alcentra Limited as the Investment Manager, any Refinancing Notes held by the Investment Manager, an Affiliate thereof or any funds or accounts managed by the Investment Manager or one of its Affiliates as to which the Investment Manager or one of its Affiliates has discretionary voting authority shall be disregarded and deemed not to be Outstanding in connection with such vote. Any investment in the Refinancing Notes by Alcentra Limited or one or more Affiliates of Alcentra Limited or accounts managed by Alcentra Limited as to which Alcentra Limited has discretionary voting authority may give the Investment Manager an incentive to take actions that may vary from the interests of the holders of other Notes.

The Investment Manager may discuss the composition of the Portfolio or other matters relating to the transaction with its Affiliates or clients purchasing the Refinancing Notes or with third party investors. There can be no assurance that any such discussions will not influence the Investment Manager's decisions or that any other investor involved in such discussions did not have interests adverse to the Noteholders, including by virtue of it having taken a short position (for example, by buying protection under a credit default swap) relating to obligations or securities included in the Portfolio.

Furthermore, so long as the Issuer is relying on the exemption from the Investment Company Act provided by Rule 3a-7, it is not permitted to acquire or dispose of Collateral Debt Obligations, Exchanged Equity Securities or Eligible Investments for the primary purpose of recognising gains or decreasing losses from market value changes. This could prevent the Issuer (or the Investment Manager on its behalf) from selling assets that the Investment Manager expects may decline in value or from reinvesting principal payments or sale proceeds in Collateral Debt Obligations.

The Issuer may elect (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Refinancing Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act and to no longer rely on the exemption from the Investment Company Act provided by Rule 3a-7. Unless and until the Issuer elects (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Refinancing Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act, the Investment Manager will be restricted from causing the Issuer to acquire any Collateral Debt Obligation or Eligible Investment which is not an "eligible asset" under Rule 3a-7. The Collateral Debt Obligations, Collateral

Enhancement Obligations, Exchanged Equity Securities or Eligible Investments being acquired or disposed of by the Issuer will be subject to the terms and conditions set forth in the Trust Deed and the other Transaction Documents. The acquisition or disposition of any Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment may result in the reduction or withdrawal of the then-current rating issued by the Rating Agencies on any Class of Refinancing Notes. Until the Issuer elects to rely solely on the exemption under Section 3(c)(7) of the Investment Company Act (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Refinancing Notes for the purposes of the Volcker Rule), the Investment Manager will also be restricted from causing the Issuer to dispose of any Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment or acquire any Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment for the primary purpose of recognising gains or decreasing losses resulting from market value changes. These restrictions mean that the Issuer may be required to hold a Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment or be precluded from acquiring a Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment when it would have sold such Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment or acquired such Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment, as applicable, had it based such determination on expected market value changes. As a result, greater losses on the Portfolio may be sustained and there may be insufficient proceeds on any Payment Date to pay in full any expenses of the Issuer or any amounts payable prior to payments in respect of the principal of and interest on the Refinancing Notes. See "*Risk Factors – Relating to the Notes - Issuer Reliance on Rule 3a-7*" above. The Investment Manager, in its capacity as agent of the Issuer, has the discretion to advise the Issuer to make such election and accordingly the Issuer may cease to rely upon the exemption provided by Rule 3a-7 in the future. The Investment Manager, in making any such a recommendation, and the Issuer in electing to elect to cease to rely upon Rule 3a-7, do not have a duty to act in a way that is favourable to individual or classes of Noteholders and conflicts of interests may arise accordingly. See further "*Risk Factors – The Volcker Rule*".

Certain Conflicts of Interest Involving or Relating to Barclays and its Affiliates

Each of the Initial Purchaser and its Affiliates ("**Barclays**") 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 Investment Manager) in the formulation of the provisions of the Amendment and Supplemental Trust Deed. 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 Refinancing Notes or any particular Class of Notes.

The Initial Purchaser will purchase the Refinancing Notes 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 Refinancing Notes. The Initial Purchaser may assist clients and counterparties in transactions related to the Refinancing Notes (including assisting clients in future purchases and sales of the Refinancing 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 Refinancing Notes in their portfolios with an intention to hold to maturity or to trade. The holding or any sale of the Refinancing Notes by these parties may adversely affect the liquidity of the Refinancing Notes and may also affect the prices of the Refinancing 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 Barclays Parties may provide financing from time to time to the Investment Manager and/or any of its Affiliates and such financing may directly or indirectly involve financing the Retention Notes. In the case of any such financing, the Barclays Parties may have received security over assets of the Investment Manager and/or its Affiliates, including security over the Retention Notes, resulting in the Barclays Parties having enforcement rights and remedies which may include the right to appropriate or sell the Retention Notes The Barclays Parties may have positions

in and will likely have placed or underwritten certain of the Collateral Obligations (or other obligations of the Obligors of Collateral 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 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 Obligations (or other obligations of the Obligors of Collateral 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 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 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 Refinancing Notes or any other party. 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 Obligations by the Issuer may increase the profitability of the Barclays Parties' own investments in such Obligors.

From time to time the Investment Manager will purchase from or sell Collateral Obligations through or to the Barclays Parties (including a portion of the Collateral 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 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 and/or on the price of the Refinancing 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 Prospectus 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 Refinancing Notes, Collateral Obligations and Eligible Investments or enter into transactions similar to or referencing the Refinancing Notes, Collateral 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 Refinancing 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 Refinancing Notes. To the extent a Barclays Party makes a market in the Refinancing 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 Refinancing 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 Refinancing Notes. The price at which a Barclays Party may be willing to purchase Refinancing 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 Refinancing Notes and significantly lower than the price at which it may be willing to sell the Refinancing Notes.

By purchasing a Refinancing Note, each investor will be deemed to have acknowledged the existence of the conflicts of interest inherent to this transaction, including as described herein, and to have waived any claim with respect to any liability arising from the existence thereof.

DESCRIPTION OF THE REFINANCING NOTES

The information set forth in this section should be read in conjunction with the section entitled "*Terms and Conditions*" in the 2015 Prospectus.

Pursuant to the Trust Deed as amended and supplemented by an amendment and supplemental trust deed to be dated the Refinancing Date (the "**Amendment and Supplemental Trust Deed**"), the Refinancing Notes will be issued on the Refinancing Date and the Refinanced Notes will be redeemed at their Redemption Prices on the same date.

Purchasers of the Refinancing Notes will be deemed to have approved the modifications contained in the Amendment and Supplemental Trust Deed (as set out in this section and the section entitled "The Portfolio - *Collateral Quality Tests*" below).

Except as expressly set forth herein, the Class A Notes will be subject to the same terms and conditions as the Original Class A Notes, the Class B Notes will be subject to the same terms and conditions as the Original Class B Notes, the Class C Notes will be subject to the same terms and conditions as the Original Class C Notes and the Class D Notes will be subject to the same terms and conditions as the Original Class D Notes. Therefore, except as expressly set forth herein, the information regarding the Original Class A Notes, the Original Class B Notes, the Original Class C Notes and the Original Class D Notes set forth in the 2015 Prospectus also applies to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, respectively.

The revised terms and conditions of the Notes will be set forth in the Amendment and Supplemental Trust Deed and are set out below. This Prospectus, together with the 2015 Prospectus, summarises certain provisions of the Trust Deed and other transaction documents. The summaries do not purport to be complete and (whether or not so stated in this Prospectus or the 2015 Prospectus) are subject to, are qualified in their entirety by reference to, and incorporate by reference, the provisions of the transaction documents (including definitions of terms).

It is anticipated that the following amendments will be effected by entry into the Amendment and Supplemental Trust Deed by the Issuer and the Trustee, however, there is no guarantee that the Issuer will be able to sell the Refinancing Notes with the terms set forth in the contemplated amendments and thus one or more of the amendments may not be implemented or effective on the Refinancing Date and there is no guarantee at what time, if any, they will be implemented or become effective with respect to the Refinancing Notes.

Each reference to "Trust Deed" that appears in the Conditions is replaced by a reference to both this term and the term "Amendment and Supplemental Trust Deed".

The following definitions are added to Condition 1:

(a) **Amendment and Supplemental Trust Deed** means the amendment and supplemental trust deed between the same parties as the Trust Deed dated 12 October 2017.

(b) "**CRR Investment Firm**" means an "investment firm" as defined in point (1) of Article 4(1) of Directive 2004/39/EC, which is subject to the requirements imposed by that Directive, excluding an investment firm which is not authorised to provide the ancillary service referred to in point (1) of Section B of Annex I to Directive 2004/39/EC which provides only one or more of the investment services and activities listed in points (1), (2), (4) and (5) of Section A of Annex I to that Directive and which is not permitted to hold money or securities belonging to its clients and which for that reason may not at any time place itself in debt with those clients.

(c) "**EU Retention Compliance Event**" means the withdrawal of the UK from the European Union such that:

    (a) the UK is no longer within the scope of MiFID; and

    (b) a passporting regime is not in place or third country recognition or positive equivalent determination has not been granted, in each case, in respect of the UK,

such that the Investment Manager is or, with the passage of time, would be, unable to make the representation and warranty contained in the Risk Retention Letter or otherwise qualify as a CRR Investment Firm.

(d) "**EU Retention Cure Action**" means, following the determination by the Investment Manager that an EU Retention Compliance Event has occurred (or with the passage of time, is reasonably likely to occur), any action taken by the Investment Manager, in its sole discretion, 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, which action shall be promptly notified by the Investment Manager to the Issuer, the Trustee and the Noteholders (in accordance with Condition 16 (*Notices*)) in writing (by way of notice substantially in the form set out in the Investment Management and Collateral Administration Agreement).

(e) "**Issue Date**" means:

(i) in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, 12 October 2017 (or such other date as may shortly follow such date as may be agreed between the Issuer, the applicable Initial Purchaser and the Investment Manager and is notified to the Noteholders in accordance with Condition 16 (*Notices*) and the Irish Stock Exchange); and

(ii) in respect of the Class E Notes, the Class F Notes and the Subordinated Notes, 4 June 2015.

(f) "**Original Letter of Undertaking**" means the letter of undertaking dated 4 June 2015 from, amongst others, the Issuer and its Managing Directors to the Law Debenture Trust Company of New York as trustee, Merrill Lynch International in its capacity as Initial Purchaser and the Investment Manager.

(g) "**Original Retention Notes**" means, for so long as any Class of Notes remains Outstanding, the Notes acquired on the Original Issue Date and held on an ongoing basis by the Investment Manager representing not less than 5 per cent. of the Principal Amount Outstanding of each Class of Notes then Outstanding.

(h) "**Original Risk Retention Letter**" means the letter dated 4 June 2015 entered into between the Issuer, the Investment Manager, Law Debenture Trust Company of New York as trustee, the Collateral Administrator and Merrill Lynch International in its capacity as Initial Purchaser.

(i) "**Refinancing Letter of Undertaking**" means the letter of undertaking dated 12 October 2017 from, amongst others, the Issuer and its Managing Directors to the Trustee, Barclays Bank PLC in its capacity as the Initial Purchaser, Merrill Lynch International as Initial Purchaser and the Investment Manager.

(j) "**Refinancing Risk Retention Letter**" means the letter dated 12 October 2017 entered into between the Issuer, the Investment Manager, the Trustee, the Collateral Administrator and Barclays Bank PLC in its capacity as the Initial Purchaser.

(k) "**Refinancing Retention Notes**" means, for so long as any Class of Notes remains Outstanding, the Refinancing Notes acquired on the Refinancing Date and held on an ongoing basis by the Investment Manager representing not less than 5 per cent. of the Principal Amount Outstanding of each Class of Refinancing Notes then Outstanding.

(l) "**S&P CDO Monitor BDR**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

(m) "**S&P CDO Monitor SDR**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

(n) "**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.

(o) "**Solvency II**" means Directive 2009/138/EC including any implementing and/or delegated regulation, technical standards and guidance related thereto, as may be amended, replaced or supplemented from time to time.

(p) "**Solvency II Retention Requirements**" means Articles 254 and 256 of the Delegated Regulation (EU) 2015/35, supplementing Solvency II, 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 Solvency II Retention Requirements shall be deemed to include any successor or replacement provisions of Articles 254 and 256 included in any European Union directive or regulation subsequent to Solvency II or the Commission Delegated Regulation (EU) 2015/35.

(q) "**U.S. Risk Retention Rules**" means the credit risk retention regulations under Section 15G of the U.S. Securities Exchange Act of 1934, as amended.

(r) "**UCITS Directive**" means Directive 2009/65/EC on Undertakings for Collective Investment in Transferable Securities, including any implementing and or delegated regulation, technical standards, level 2 measures and/or guidance related thereto, as may be amended, replaced or supplemented from time to time.

(s) "**Letter of Undertaking**" means the Original Letter of Undertaking and the Refinancing Letter of Undertaking.

(t) "**Refinancing**" means, as the context requires:

(i) a refinancing in accordance with Condition 7(b)(v) (Optional Redemption effected in whole or in part through Refinancing); or

(ii) the Refinancing of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes that took effect on 12 October 2017.

(u) "**Retention Notes**" means each of the Original Retention Notes and the Refinancing Retention Notes.

(v) "**Retention Notes Purchase Agreement**" means the retention notes purchase agreement with respect to the Refinancing Retention Notes dated 12 October 2017 between the Issuer and the Retention Holder.

(w) "**EU Retention Requirements**" means the CRR Retention Requirements, the AIFMD Retention Requirements and the Solvency II Retention Requirements.

Wherever the term "Retention Requirements" appears in the 2015 Prospectus, this will be replaced by a reference to "EU Retention Requirements".

(x) "**Risk Retention Letter**" means the Original Risk Retention Letter and the Refinancing Risk Retention Letter.

The following definitions contained in Condition 1 (*Definitions*) are amended as follows:

(a) **Administration Expenses**

The definition of "Administrative Expenses" is amended by deleting the word "or" after "due diligence" in paragraph (ii) of limb (c) and replacing it with a ",", and adding "or in respect of taking any EU Retention Cure Action" immediately following "reporting requirements".

(b) **EURIBOR**

The definition of "EURIBOR" is amended by deleting the limb (c) and replacing it with "[PARAGRAPH NOT USED]".

(c) The definition of "**Investment Management and Collateral Administration Agreement**" is amended to add the words "as amended and supplemented by the Amendment and Supplemental Trust Deed":

(d) The definition of "**Subscription Agreement** is deleted and replaced with the following:

"(d) (i) a subscription agreement between the Issuer and Merrill Lynch International as initial purchaser (the "**2015 Initial Purchaser**") dated 4 June 2015 (the "**2015 Subscription Agreement**") and (ii) a subscription agreement between the Issuer and Barclays Bank PLC as initial purchaser (the "**2017 Initial Purchaser**" and together with the 2015 Initial Purchaser, each an "**Initial Purchaser**) dated as of 10 October 2017 (the "**2017 Subscription Agreement**" and together with the 2015 Subscription Agreement, each a "**Subscription Agreement**").

(e) The definition of "**Issuer Management Agreement**" is deleted and replaced with the following:

"**Issuer Management Agreement**" means an issuer management agreement dated 4 June 2015 between the Managing Directors and the Issuer, as amended on or about the Refinancing Date.

(f) The definition of "**Transaction Documents**" is deleted and replaced with:

"**Transaction Documents**" means the Trust Deed (including these Conditions), the Amendment and Supplemental Trust Deed, the Agency Agreement, each Subscription Agreement, the Euroclear Security Agreement, the Investment Management and Collateral Administration Agreement, any Hedge Agreements, each Risk Retention Letter, the Retention Notes Purchase Agreement, the Collateral Acquisition Agreements, the Participation Agreements, the Issuer Management Agreement, any Reporting Delegation Agreement, the Refinancing Letter of Undertaking and any document supplemental thereto or issued in connection therewith.

(g) The definition of "**Trust Deed**" is amended to add the words "as amended and supplemented by the Amendment and Supplemental Trust Deed".

(h) The definition of "**S&P Matrix**" is deleted.

(i) The definition of "**S&P Minimum Weighted Average Recovery Rate Test**" is deleted.

The following Conditions are amended as follows:

(a) A new Condition 2(n) is added as follows:

(n) Modification of the Collateral Quality Tests

For the purpose of Condition 14(c)(xxvii) (*Modification and Waiver*), the Noteholders of the Refinancing Notes which are Class A Notes (being the Controlling Class) issued pursuant to the Refinancing on 12 October 2017 have consented (deemed to have been acting by way of an Ordinary Resolution) to the modifications to the Collateral Quality Tests, including but not limited to modifications to the Maximum Weighted Average Life Test, and each amendment to effect the changes to the S&P CDO Monitor Test and the deletion of the S&P Minimum Weighted Average Recovery Rate Test, each as contemplated in the Amendment and Supplemental Trust Deed, by their subscription for such Class A Notes on 12 October 2017.

(b) Condition 6(e)(i)(A)(1) is deleted and replaced with the following:

"[PARAGRAPH NOT USED]".

(c) Condition 6(e)(i)(B)(a) is deleted and replaced with the following:

"[PARAGRAPH NOT USED]".

(d) Condition 6(e)(i)(D) is deleted and replaced with the following:

(D) Where:

"**Applicable Margin**" means:

(i) in respect of the Class A Notes, 0.84 per cent. per annum;

(ii) in respect of the Class B Notes, 1.35 per cent. per annum;

(iii) in respect of the Class C Notes, 1.75 per cent. per annum;

(iv) in respect of the Class D Notes, 3.00 per cent. per annum;

(v) in respect of the Class E Notes, 4.95 per cent. per annum, and

(vi) in respect of the Class F Notes, 5.98 per cent. per annum

(e) Condition 7(b)(i) *(Optional Redemption in Whole – Subordinated Notes or Retention Holder)* is deleted and replaced with the following:

(i) *Optional Redemption in Whole – Subordinated Notes or Retention Holder*

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)(ix) (*Optional Redemption in whole of all Classes of Rated Notes 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 or (solely in the case of a redemption at the direction of the Subordinated Noteholders in accordance with (A)(1) or (B) below) any Refinancing Proceeds (or a combination thereof):

(A) in the case of:

(1) any redemption in accordance with Condition 7(b)(vi) (*Refinancing in relation to a Redemption in Whole*), on any day falling on or after the expiry of the period ending on 12 October 2018; or

(2) any redemption in accordance with Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*), on any day falling on or after the expiry of the Non-Call Period,

in each case at the direction of the Subordinated Noteholders acting by Ordinary Resolution or (save where a Retention Event has occurred and is continuing) at the direction in writing of the Retention Holder (in each case as evidenced by duly completed Redemption Notices); or

(B) upon the occurrence of a Collateral Tax Event, on any Payment Date falling after such occurrence at the direction of the Subordinated Noteholders acting by Ordinary Resolution (as evidence by duly completed Redemption Notices).

(f) Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Investment Manager*) is deleted and replaced with the following:

(ii) *Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Investment 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 (other than the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes) 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 Payment Date falling on or after expiry of the Non-Call Period at the direction of the Investment Manager or the Subordinated Noteholders acting by Ordinary Resolution (as evidenced by duly completed Redemption Notices).

No such Optional Redemption may occur unless any Class of Rated Notes to be redeemed represents the entire Class of such Rated Notes.

(g) Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) is amended by inserting the words "(other than the Class A Notes, the Class B Notes, the Class C Notes or the Class D Notes)" as follows:

(i) in place of the words "(but not of all Classes of Rated Notes)" in sub-paragraph (B); and

(ii) after the words "In addition, Refinancing Proceeds may be applied in the redemption of the Rated Notes in part by Class".

(h) Condition 7(b)(vii) (*Refinancing in relation to a Redemption in Part*) is amended by inserting the words "(other than the Class A Notes, the Class B Notes, the Class C Notes or the Class D Notes)" as follows:

(i) after the words "redemption of the Rated Notes in part by Class"; and

(ii) after the words "If, in relation to a proposed optional redemption of the Notes (whether in whole or in part, as applicable)".

(i) Condition 14(c) (*Modification and Waiver*) is amended as follows:

(i) by deleting the word "and" at the end of paragraph (xxix) and replacing "." with "; and" at the end of paragraph (xxx); and

(ii) by adding a new paragraph (xxxi) to read as follows:

"to make any other modification of any of the provisions of the Trust Deed, the Investment Management and Collateral Administration Agreement or any other Transaction Document to:

(a) comply with the EU Retention Requirements or the U.S. Risk Retention Rules (whether as a result of a change or otherwise) or which result from the implementation of technical standards relating thereto or any subsequent risk retention legislation or official guidance or corresponding EU Retention Requirements under the UCITS Directive or the Securitisation Regulation (if applicable); or

(b) accommodate any EU Retention Cure Action,

provided however that if consent of Noteholders would be required to effect such modification were it not for this Condition 14(c)(xxxi), then such consent shall be required but only from the Class E Noteholders and the Class F Noteholders.".

(j) Condition 14(c)(xv)(A) is deleted and replaced with the following:

"[PARAGRAPH NOT USED]".

USE OF PROCEEDS

The proceeds of the issue of the Refinancing Notes will be €362,500,000. Such proceeds, together with certain additional amounts, will be used by the Issuer to redeem the Refinanced Notes at the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption. Refinancing Costs will be paid as Administrative Expenses and/or Trustee Fees and Expenses, as applicable, in accordance with the Conditions.

THE ISSUER

The information in this section replaces the information in the section entitled "The Issuer" in the 2015 Prospectus in its entirety.

General

The Issuer is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated with the name of Jubilee CLO 2015-XV B.V. under the Dutch Civil Code (*Burgerlijk Wetboek*) on 19 December 2014 for an indefinite period. The Issuer's corporate seat is in Amsterdam and its registered office at Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands. The Issuer is registered in the commercial register of the Chamber of Commerce for Amsterdam under number 61923281. The telephone number of the registered office of the Issuer is +31 (0)20 575 5600 and the facsimile number is +31 (0)20 673 0016.

Corporate Purpose of the Issuer

The Issuer is organised as a special purpose company and was established to raise capital by the issue of the Notes. The articles of association (the "**Articles**") of the Issuer dated 19 December 2014 (as currently in effect) provide under Article 2(1) that the objects of the Issuer are:

(a) to raise funds through, *inter alia*, borrowing under loan agreements, the issuance of bonds and other debt instruments, the use of financial derivatives or otherwise and to invest and apply funds obtained by the Issuer in, inter alia, (interests in) loans, bonds, debt instruments, shares, warrants and other similar securities and also in financial derivatives;

(b) to grant security for the Issuer's obligations and debts;

(c) to enter into agreements, including, but not limited to, financial derivatives such as interest and/or currency exchange agreements in connection with the objects mentioned under (a) and (b); and

(d) to enter into agreements, including, but not limited to, bank, securities and cash administration agreements, asset management agreements and agreements creating security in connection with the objects mentioned under (a), (b) and (c) above.

Business Activity

The Issuer has not previously carried on any business or activities other than those incidental to its incorporation and change of name, 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 2015 Subscription Agreement, the Agency Agreement, the Trust Deed, the Investment Management and Collateral Administration Agreement, the Issuer Management Agreement, any Hedge Agreement, the Euroclear Security Agreement and the other documents and agreements entered into in connection with the issue of the Notes and the purchase of the Portfolio, and on the Refinancing Date, the Amendment and Supplemental Trust Deed and the other documents and agreements entered into in connection with the issue of the Refinancing Notes.

Management

The current managing directors (the "**Managing Directors**") are:

Name	**Occupation**	**Business Address**
Arthur Weglau	Director	Herikerbergweg 238 1101 CM Amsterdam The Netherlands

Name	Occupation	Business Address
Hubertus Petrus Cornelis Mourits	Director	Herikerbergweg 238 1101 CM Amsterdam The Netherlands
Steffen Engelbertus Johannes Ruigrok	Director	Herikerbergweg 238 1101 CM Amsterdam The Netherlands

Pursuant to the Issuer Management Agreement, the Managing Directors provide management, corporate and administrative services to the Issuer. The Issuer may terminate the Issuer Management Agreement by giving not less than fourteen calendar days' written notice. The Managing Directors may retire from their obligations pursuant to the Issuer Management Agreement by giving at least two months' notice in writing to the Issuer. The Managing Directors have undertaken not to resign unless suitable replacement managing directors have been contracted.

Managing Directors' Experience

Mr Arthur Weglau

Arthur Weglau is Head Transaction Manager at TMF Structured Finance Services in The Netherlands. Before joining the TMF Group, Mr. Weglau worked for PricewaterhouseCoopers as a Tax Adviser, providing tax advice and assistance to foreign multinational companies expanding their business into The Netherlands. Mr. Weglau holds a Master's degree in Dutch Tax Law from Groningen University and completed a post academic programme in Structured Finance at the Grotius Academy.

Mr Hubertus P.C. Mourits

Mr Mourits joined the TMF Group in 2001 as (Risk) Controller of the Financial Services division. In this capacity Mr Mourits implemented risk control mechanisms and guidelines in various areas, including operational risk control tools for securitisation transactions and CDO/CLO's. In October 2016 he became the Global Head of TMF Structured Finance Services. Before joining TMF, Mr Mourits was employed as a Risk Controller at NIB Capital Bank (now NIBC Bank N.V.). Mr Mourits holds a Master's degree in Economics and Business Administration.

Mr Steffen E.J. Ruigrok

Steffen E.J. Ruigrok is TMF Netherlands Director Investor Compliance & Regulatory Services. Prior to this he was head of the Outsourcing Business Services department of TMF Netherland and before that his position was the head of the accounting and reporting department of TMF Structured Finance Services in the Netherlands. Before joining the TMF Group in 2004, Mr Ruigrok was an Auditor with Coopers and Lybrand (now PricewaterhouseCoopers N.V.), and held a corporate finance position at an international M&A boutique in The Netherlands. He currently also serves as mentor for structured finance and financial instruments related research at the NIVRA-Nijenrode School of Accountancy and Controlling. Mr Ruigrok holds a Bachelor's degree in Business Administration from Nijenrode Business University, and Master's degrees in Economics and in Accounting, both from the Vrije University Amsterdam. Mr Ruigrok is a qualified Chartered Certified Accountant.

Capital and Shares

The Issuer's issued share capital is €1.00 which is fully paid up and divided into 1 share with a nominal value of €1.00 each.

Capitalisation

The capitalisation of the Issuer as at the date of this Prospectus, adjusted for the issue of the Refinancing Notes, is as follows:

Share Capital	€
Issued and fully paid one ordinary registered share of €1.00	1.00
Loan Capital	€
Class A Notes	€252,750,000
Class B Notes	€60,250,000
Class C Notes	€26,000,000
Class D Notes	€23,500,000
Class E Notes	€27,000,000
Class F Notes	€15,250,000
Subordinated Notes	€46,000,000
Total Capitalisation	€450,750,001

Indebtedness

The Issuer has no indebtedness as at the date of this Prospectus, other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated herein.

Holding Structure

The entire issued share capital of the Issuer is directly held by Stichting Jubilee CLO 2015-XV, a foundation (*stichting*) established under the laws of The Netherlands having its registered office at Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands (the "**Foundation**").

None of the Investment Manager, the Collateral Administrator, the Trustee or any company Affiliated with any of them, directly or indirectly, owns any of the share capital of the Issuer. TMF Management B.V. is the sole director of the Foundation.

Pursuant to the terms of the Issuer Management Agreement and the Refinancing Letter of Undertaking measures will be in put in place to limit and regulate the control which the Foundation has over the Issuer.

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*)).

Financial Statements

The auditors of the Issuer are KPMG Accountants N.V., Laan van Langerhuize 1, 1186 DS Amstelveen, The Netherlands who are chartered accountants and are members of the *Koninklijk Nederlands Instituut van Registeraccountants* and registered auditors qualified in practice in The Netherlands.

THE INVESTMENT MANAGER

The information appearing in this section has been prepared by the Investment Manager and has not been independently verified by the Issuer, the Initial Purchaser or any other party. This information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by the Investment Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Initial Purchaser or any other party other than the Investment Manager assumes any responsibility for the accuracy or completeness of such information.

The information in this section replaces the information in the section entitled "The Investment Manager" in the 2015 Prospectus in its entirety.

The Investment Manager is Alcentra Limited, a company incorporated in England and Wales, with registration number 02958399 and with its registered office in London. The Investment Manager is authorised and regulated by the Financial Conduct Authority and regulated by the SEC.

Alcentra Limited is a subsidiary of BNY Alcentra Group Holdings, Inc. and part of BNY Mellon Asset Management. The Bank of New York Mellon Corporation ("**BNY Mellon Corp**") holds 80 per cent. of the shares of BNY Alcentra Group Holdings, Inc. Up to 20 per cent of the remaining shares are available as non-voting equity to certain Alcentra employees. Despite its majority ownership by BNY Mellon, the firm is operationally autonomous. The firm believes that being majority owned by BNY Mellon allows it to be totally focused on investment management, as many support services – such as human resources, legal, building operations and IT – are provided centrally by the parent organization.

Alcentra Group and its Shareholders

BNY Mellon Corp is one of the largest investments companies in the United States with a market capitalisation, as of 30 June 2017, of approximately $52.7 billion. It is also one of the largest securities servicing organisations in the United States with $31.1 trillion of assets under custody and administration and has a global platform across 35 countries and serving more than 100 markets (as at 30 June 2017). BNY Mellon Group is a substantial player in asset management with approximately $1.8 trillion of assets under management ("**AUM**") (as of 30 June 2017).

The Alcentra Group was established in March 2003 and is an active manager of sub-investment grade debt, with global expertise in senior loans, direct lending, mezzanine debt, high-yield bonds, distressed situations, structured credit and multi-strategy products.

Alcentra's investment management and advisory subsidiaries have approximately $33.5 billion of AUM[1] (including approximately $14.5 billion in United States assets and $19.0 billion in European assets) across over 90 funds and accounts, including CLOs, direct lending, mezzanine debt funds, managed accounts and open-ended funds in both U.S. dollars and Euro with over 300 investors in 35 countries (as at 30 June 2017)[2]. Alcentra's AUM includes legacy investments dating back more than 14 years. In 2016 Alcentra-managed funds secured allocations of approximately €3.5 billion in the European primary market and acquired approximately €1.1 billion in the European secondary loan market as at 31 December 2016. Alcentra has separate United States and European credit research teams in New York, Boston and London. The Alcentra Group has a team of 138 professionals, including portfolio managers and a dedicated Global Operations team for both the United States and Europe. In Europe, 5 portfolio managers are supported by 31 credit analysts who have an average of 13 years of credit experience.

Investment Management Team

The investment management team consists of David Forbes-Nixon, Chief Executive Officer and Chairman of the Investment Committee; Paul Hatfield, Global Chief Investment Officer and President; and Graham Rainbow, Senior Loan Portfolio Manager. Graham Rainbow is a member of the Investment Committee and is

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[1] For these purposes the value of Euro-denominated AUM has been converted in U.S. dollars at the prevailing exchange rate on the relevant date.

[2] AUM reflects assets of all accounts and portions of accounts managed by Alcentra for itself including Alcentra NY, LLC's division, Alcentra High Yield and its affiliates. Specifically, certain AUM reflects assets managed by Alcentra personnel as employees of Standish, BNY Mellon and The Dreyfus Corporation under a dual employee arrangement.

responsible for the management of all of Alcentra's senior loan-focused funds. Graham will also be directly responsible for the day-to-day management of the Portfolio. Graham is supported by Russell Holliday, Deputy Senior Loan Portfolio Manager.

Investment Committee

In addition to David Forbes-Nixon, Paul Hatfield, Graham Rainbow and Russell Holliday the Investment Committee also comprises of Kevin Lennon, Head of European Credit Research and Joanna Layton, Senior Analyst and Deputy Head of European Credit Research.

European Senior Loan Credit Analysis Team

The investment management team is supported by 8 credit analysts in London. These analysts are organised into sector and geographical specialisations. Credit analysts are responsible for sourcing and reviewing potential investments for submission to the Investment Committee for approval prior to investment. Each analyst covers on average no more than 20 borrowers and has on average 11 years of experience. By organising the credit team by industry and geographical specialisation, Alcentra analysts are able to develop in-depth specialist knowledge on their particular industry sector, facilitating review of new investment opportunities as they arise. In addition, certain geographical regions, in particular France, Spain and Germany, require specialist skills due to local practices and language. Alcentra has allocated individual analysts to specialise on these regions. The European Senior Loan it team can lean on the Special Situations team, 6 dedicated stressed and distressed credit analysts, who have specific experience in work out and restructuring. They also take responsibility for borrowers that are going through complicated and negotiated restructuring processes.

Investment Management Team Biographies

David Forbes-Nixon, Chief Executive Officer & Chairman, Alcentra Global Special Situations Portfolio Manager and Chairman of Investment Committee

David is the co-founder, Chairman and Chief Executive of Alcentra and chairs the Alcentra European Investment Committee. He also acts as Senior Portfolio Manager of the Special Situations business. David sits on the Executive Committee of BNY Mellon Investment Management and the BNY Mellon Operating Committee.

Prior to founding Alcentra, David worked at Barclays Capital from 1995 to 2003 where he was Managing Director, Founder and Chief Investment Officer of Barclays Capital Asset Management, a wholly owned subsidiary of Barclays Group Plc and the predecessor firm of Alcentra. Between 1997 and 2000, David ran a significant proprietary trading book at Barclays investing in distressed debt and special situations credits. Whilst at Barclays he set up the par loan trading business and served as a Director of the Loan Market Association (LMA) and chaired the LMA Valuation Committee.

David worked at Bankers Trust from 1992 to 1995 where he was a Vice President and head of European leveraged loan distribution and prior to that worked at Chemical Bank from 1987 to 1992 in New York and London in the structured finance and loan syndication departments.

David graduated from Birmingham University with a BSc. (Hons) in Chemical Engineering.

Paul Hatfield, Global Chief Investment Officer and President

Paul is the Global Chief Investment Officer and President of Alcentra. He sits on both the European and U.S. Investment Committees, and focuses on investment policy, portfolio positioning and risk management across the firm's strategies and funds. His responsibilities also include managing firm and fund level risk as it relates to operational, counterparty and macro/systemic considerations.

Paul joined Alcentra in 2003, and has had numerous leadership positions. He was one of the firm's original portfolio managers, successfully developed and launched new strategies, and led Alcentra's integration of BNY Capital Markets' credit funds and Rabobank's CLO business.

Prior to joining Alcentra, Paul was a Senior Analyst for the CDO operations of Intermediate Capital Group. Between 1995 and 2001, Paul worked at Deutsche Bank, originally in London for the Leveraged Finance Team. At this time, Deutsche (Morgan Grenfell) was the leading underwriter of European LBOs. In 1998, Paul was

seconded to New York, where he worked on financial sponsor coverage and latterly in the bank's telecom division. Paul originally trained as a chartered accountant in the audit division of Arthur Andersen and, before joining Deutsche, built up a successful portfolio of mezzanine and development capital loans with FennoScandia Bank, the London operation of a Scandinavian consortium bank. Paul graduated from Cambridge University with a BA (Hons) in Economics

Graham Rainbow, Senior Loan Portfolio Manager

Graham joined Alcentra in August 2008 and is a Senior Loan Portfolio Manager of Alcentra's European loan funds. Graham is also a member of the European Investment Committee.

Prior to joining Alcentra, Graham was Co-Head of the leveraged syndicate desk at Barclays Capital, where he was responsible for underwriting senior, second lien and mezzanine LBO debt. Graham joined Barclays in 1995 and performed roles in loan trading, credit and sales before joining the Leveraged Finance team in 1998. Graham's previous work experience was with a commercial finance consultancy, arranging business mortgages.

He has a BSc. (Hons) from Warwick University in Management Science and an M.B.A. from Warwick Business School.

Russell Holliday, Deputy Senior Loan Portfolio Manager

Russell joined Alcentra in July 2013 and is Deputy Portfolio Manager for the par loan funds, responsible for investments across a broad range of sectors as well as portfolio construction, optimisation and monitoring. Russell is also a member of Alcentra's European Investment Committee.

Prior to joining Alcentra, he was a senior Director on the European Leveraged Syndicate desk at Barclays where he was responsible for underwriting loan and bond transaction across the sub-grade investment universe. Russell joined Barclays in 2000 and held roles in both ratings and strategic capital structure advisory before joining the Leveraged Finance business in 2002.

Russell graduated from Warwick University with a BSc. (Hons) in Economics.

Credit Risk Mitigation

The Investment Manager has internal policies and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation.

The policies and procedures of the Investment Manager in this regard broadly include the following:

(a) criteria for the granting of credit and the process for approving, amending, renewing and refinancing credits (as to which, in relation to the Collateral Debt Obligations, see the information set out in the 2015 Prospectus headed "*The Portfolio*" which describes the criteria that the selection of Collateral Debt Obligations to be included in the Portfolio is subject to);

(b) systems in place to administer and monitor the various credit-risk bearing portfolios and exposures (as to which it should be noted that the Portfolio will be serviced in line with the servicing procedures of the Investment Manager - please see the sections of the 2015 Prospectus headed "*The Portfolio*" and "*Description of the Investment Management and Collateral Administration Agreement*");

(c) adequate diversification of credit portfolios given the overall credit strategy (as to which, in relation to the Portfolio, see the section of the 2015 Prospectus headed "*The Portfolio – Portfolio Profile Tests*");

(d) policies and procedures in relation to risk mitigation techniques (as to which, see further the sections of the 2015 Prospectus headed "*The Portfolio*" and "*Description of the Investment Management and Collateral Administration Agreement*", which describes the ways in which the Investment Manager is required to monitor the Portfolio); and

(e) to the extent not subject to confidentiality restrictions, upon reasonable request, as soon as reasonably practicable grant readily available access to all materially relevant data on the credit quality and performance of the individual underlying exposures, cash flows and collateral supporting a securitisation exposure and to any information that is necessary to conduct comprehensive and well-

informed stress tests on the cash flows and collateral values supporting the underlying exposures (as to which, see further the sections of the 2015 Prospectus headed "*The Portfolio*" and "*Description of the Reports*", which describe the criteria used for selection of the Collateral Debt Obligations and the reports prepared and provided in respect of such Collateral Debt Obligations).

THE EU RETENTION REQUIREMENTS

Description of the Retention Holder

The Investment Manager shall act as the Retention Holder for the purposes of the EU Retention Requirements.

The Investment Manager anticipates that, on the basis of its current regulatory permissions, as of the date of this Prospectus, it would fall within the definition of "sponsor" for the purposes of the EU Retention Requirements.

The Retention

The following description consists of a summary of certain provisions of the Refinancing Risk Retention Letter which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement.

On the Original Issue Date, the Investment Manager in its capacity as Retention Holder, acting for its own account, signed the Original Risk Retention Letter addressed to the Issuer, the Trustee, the Collateral Administrator and the 2015 Initial Purchaser with respect to the Original Retention Notes.

On the Refinancing Date, the Investment Manager in its capacity as Retention Holder, acting for its own account, will sign the Refinancing Risk Retention Letter addressed to the Issuer, the Trustee, the Collateral Administrator and Barclays Bank PLC as the Initial Purchaser.

Under the Refinancing Risk Retention Letter, the Retention Holder will, for so long as any Class of Notes remains Outstanding, and subject as provided below:

(a) covenant and undertake:

  (i) to subscribe for (save in respect of Retention Notes that are Class E Notes, Class F Notes and the Subordinated Notes that the Retention Holder already holds), hold and retain, on an ongoing basis, for so long as any Class of Notes remains Outstanding, not less than 5 per cent. of the outstanding nominal value of each Class of Notes, regardless of whether they are in the form of IM Voting Notes, IM Non-Voting Notes or IM Exchangeable Non-Voting Notes (for the avoidance of doubt, each of (i) the Class A Notes in the form of Class A IM Voting Notes, Class A IM Non-Voting Notes and/or Class A IM Exchangeable Non-Voting Notes; (ii) the Class B Notes in the form of Class B IM Voting Notes, Class B IM Non-Voting Notes and/or Class B IM Exchangeable Non-Voting Notes; (iii) the Class C Notes in the form of Class C IM Voting Notes, Class C IM Non-Voting Notes and/or Class C IM Exchangeable Non-Voting Notes; and (iv) the Class D Notes in the form of Class D IM Voting Notes, Class D IM Non-Voting Notes and/or Class D IM Exchangeable Non-Voting Notes, shall be deemed to constitute single classes), except as permitted in paragraphs (1) and (2) below;

  (ii) that neither it nor its Affiliates will transfer the Retention Notes or sell, hedge or otherwise mitigate its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except as permitted in paragraphs (1) and (2) below;

  (iii) subject to any applicable regulatory requirements, to take such further action, provide such information, and enter into such other agreements, in each case as may reasonably be required by the Issuer to satisfy the EU Retention Requirements, *provided that* such information (A) is in the possession of it, (B) is not subject to a duty of confidentiality and (C) the disclosure of it is not contrary to any requirement of law;

  (iv) to provide to the Issuer, on a confidential basis, information in the possession of the Retention Holder, at the cost and expense of the party seeking such information, to the extent the same is not subject to a duty of confidentiality;

  (v) to confirm its continued compliance with the covenants set out at paragraphs (a)(i) and (a)(ii) above:

(A) promptly upon reasonable request made in writing by any of the Issuer, the Trustee, the Collateral Administrator and the Initial Purchaser; and

(B) in any event on a monthly basis, on the Business Day prior to the date on which the Collateral Administrator compiles the Monthly Report and the Payment Date Report, to the Issuer, the Trustee and the Collateral Administrator,

in each case in writing (which may be by way of e-mail and which confirmations the Retention Holder acknowledges may be included by the Collateral Administrator in any Monthly Report or Payment Date Report);

(vi) that it shall notify each of its Affiliates of the Risk Retention Letter and its contents and in particular the requirements set out in paragraph (a)(ii) above and shall procure that each of its Affiliates comply with the terms of the Refinancing Risk Retention Letter and in particular paragraph (a)(ii) above;

(vii) that it shall immediately notify the Issuer, the Investment Manager, the Trustee and the Collateral Administrator in writing if for any reason:

(A) it ceases to hold the Retention Notes in accordance with paragraph (a)(i) above;

(B) it fails to comply with the covenants set out in paragraphs (a)(i), (a)(ii) or (a)(vi) in any way; or

(C) any of the representations and warranties contained in the Refinancing Risk Retention Letter fail to be true on any date,

provided that:

(1) if Alcentra Limited is removed as Investment Manager and none of its Affiliates are appointed as successor Investment Manager, then the Retention Holder (or any of its Affiliates to which the Retention Notes have been transferred in accordance with paragraph (2) below) may dispose of the Retention Notes *provided that* such transfer:

(x) is permitted in accordance with the EU Retention Requirements; and

(y) would not cause the transaction described in this Prospectus to cease to be compliant with the EU Retention Requirements;

(2) the Retention Holder may at any time transfer the Retention Notes to an Affiliate which is part of the same consolidated accounting group as the Retention Holder *provided that*:

(x) such transfer:

(a) is permitted in accordance with the EU Retention Requirements; and

(b) would not cause the transaction described in this Prospectus to cease to be compliant with the EU Retention Requirements; and

(y) if, at any time following (and as a consequence of) such transfer it is necessary to ensure compliance with the EU Retention Requirements, the Retention Holder shall procure that the Retention Notes are re-transferred to itself or to any other entity permitted under the EU Retention Requirements at such time; and

(b) represent and warrant, *inter alia*, that:

(i) it is a CRR Investment Firm;

(ii) it is, and it holds the Retention Notes as, a "sponsor" (as such term is defined in, and for the purposes of, the EU Retention Requirements) and it will continue to retain the Retention Notes pursuant to paragraph (a) above in such capacity,

provided that if (i) any EU Retention Cure Action is taken which would render the foregoing representations and/or warranties inapplicable or (ii) there is any change in the Retention Holder's authorisation or licensing status such that it ceases to be a CRR Investment Firm following the Refinancing Issue Date solely as a direct consequence of any withdrawal of the UK from the European Union, the foregoing representations and warranties shall no longer apply.

Should the Retention Holder elect to transfer the Retention Notes in the situations set out in (1) and (2) above, then such transferee of the Retention Notes shall commit to acquire and retain the Retention Notes on terms substantially identical (*mutatis mutandis*) to those outlined above.

Potential investors are referred to "*Risk Factors - Regulatory Initiatives – EU Retention Requirements*".

EU Retention Compliance Event and EU Retention Cure Action

The Investment Manager may in its sole discretion, having determined that an EU Retention Compliance Event has occurred (or, with the passage of time, is reasonably likely to occur) take any EU Retention Cure Action subject to: (i) internal approval of the EU Retention Cure Action in accordance with the Investment Manager's usual policies and procedures and (ii) receipt of legal advice from Linklaters LLP or other reputable legal counsel as selected in the Investment Manager's sole discretion that such EU Retention Cure Action is consistent with the EU Retention Requirements and (iii) the requirements of Condition 14(c)(xxxi), if applicable. Such EU Retention Cure Action may include, but is not limited to, action intended to enable the Investment Manager to qualify as the Retention Holder other than as a "sponsor" for the purposes of the EU Retention Requirements.

"**CRR Investment Firm**" means an "investment firm" as defined in point (1) of Article 4(1) of Directive 2004/39/EC, which is subject to the requirements imposed by that Directive, excluding an investment firm which is not authorised to provide the ancillary service referred to in point (1) of Section B of Annex I to Directive 2004/39/EC which provides only one or more of the investment services and activities listed in points (1), (2), (4) and (5) of Section A of Annex I to that Directive and which is not permitted to hold money or securities belonging to its clients and which for that reason may not at any time place itself in debt with those clients.

"**EU Retention Compliance Event**" means the withdrawal of the UK from the European Union such that:

(a) the UK is no longer within the scope of MiFID; and

(b) a passporting regime is not in place or third country recognition or positive equivalent determination has not been granted, in each case, in respect of the UK,

such that the Investment Manager is or, with the passage of time, would be, unable to make the representation and warranty contained in the Risk Retention Letter or otherwise qualify as a CRR Investment Firm.

"**EU Retention Cure Action**" means, following the determination by the Investment Manager that an EU Retention Compliance Event has occurred (or with the passage of time, is reasonably likely to occur), any action taken by the Investment Manager, in its sole discretion, 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, which action shall be promptly notified by the Investment Manager to the Issuer, the Trustee and the Noteholders (in accordance with Condition 16 (*Notices*)) in writing (by way of notice substantially in the form set out in the Investment Management and Collateral Administration Agreement).

U.S. CREDIT RISK RETENTION

The information appearing in this section is being provided for the purpose of the "sponsor" satisfying its pre-sale disclosure obligations with respect to an "eligible vertical interest" under the U.S. Risk Retention Rules, the determinations of which have been made by the "sponsor". For purposes hereof, the Investment Manager would be considered to be a "sponsor" under the U.S. Risk Retention Rules. See "Risk Factors – U.S. Risk Retention Requirements".

Pursuant to the U.S. Risk Retention Rules, the "sponsor" of a securitization transaction (or a majority-owned affiliate of the sponsor) is required to provide or cause to be provided to investors a reasonable period of time prior to the sale of any asset-backed securities in a securitization transaction and a reasonable time after the closing of the securitization transaction the vertical interest disclosures described in this section. Such vertical interest disclosures must include a description of the form of the "eligible vertical interest", the percentage that the "sponsor" is required to retain, a description of the material terms of the vertical interest and the amount the "sponsor" expects to retain at the closing of the securitisation transaction. In adopting the U.S. Risk Retention Rules, the relevant governmental authorities indicated that the purpose of these vertical interest disclosures was to allow investors to adequately analyse the amount of the "sponsor's" economic interest ("skin in the game") in a given securitisation transaction. As such, the information set forth in this section should not be relied upon or used for any other purpose.

The U.S. Risk Retention Rules require the "sponsor" of a "securitization transaction" to acquire and thereafter retain during the US Retention Period (defined below) (either directly or through a "majority-owned affiliate") an economic interest in the "credit risk" of "securitized assets" (as such terms are defined in the U.S. Risk Retention Rules) in an amount of not less than the Minimum Risk Retention Requirement and is generally prohibited from directly or indirectly eliminating or reducing such credit risk by hedging or otherwise transferring the retained credit risk. 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 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 an interest of not less than 5 per cent. of each class of the "ABS interests" issued by the Issuer in a securitisation transaction. The Investment Manager is considered the "sponsor" under the US Retention Requirement in respect of the Notes.

The Investment Manager has informed the Issuer that, on the Refinancing Issue Date, the Retention Holder will purchase not less than 5 per cent. of the principal amount outstanding of each Class of the Refinancing Notes (the "**Retention Interest**") as an "eligible vertical interest" "**Eligible Vertical Interest**") under the U.S. Risk Retention Rules and will retain the Retention Interest (or such lower amount of Notes as may be required by the U.S. Risk Retention Rules) as long as required by the U.S. Risk Retention Rules. In addition, the U.S. Credit Risk Retention Requirements impose limitations on the ability of the Retention Holder to sell or hedge its risk with respect to the eligible vertical interest.

The Retention Interest will consist of the following:

€12,637,500 Class A Senior Secured Floating Rate Notes due 2028
€3,012,500 Class B Senior Secured Floating Rate Notes due 2028
€1,300,000 Class C Deferrable Mezzanine Floating Rate Notes due 2028
€1,175,000 Class D Deferrable Mezzanine Floating Rate Notes due 2028

As of the Refinancing Issue Date, the Investment Manager will also hold not less than 5 per cent. of the principal amount outstanding of the Class E Notes, the Class F Notes and the Subordinated Notes.

The material terms of the Retention Notes comprising the Eligible Vertical Interest are described in this Prospectus and the 2015 Prospectus.

THE PORTFOLIO

Prospective investors should carefully consider the following information, in addition to the "The Portfolio" section of the 2015 Prospectus and matters set forth elsewhere in this Prospectus and the 2015 Prospectus, prior to investing in the Refinancing Notes. To the extent any statement in this "The Portfolio" section conflicts with any statement in the "The Portfolio" section of the 2015 Prospectus, the statements herein shall supersede any such statements in the 2015 Prospectus.

The Initial Purchaser (i) did not participate in the preparation of the 2015 Prospectus, any Monthly Report or any Payment Date Report, (ii) has not made a due diligence inquiry as to the accuracy or completeness of the information contained in the 2015 Prospectus, (iii) is relying on representations from the Issuer as to the accuracy and completeness of the information contained in the 2015 Prospectus (other than the Investment Manager Information), the Monthly Reports and the Payment Date Reports and (iv) shall have no responsibility whatsoever for the contents of the 2015 Prospectus, any Monthly Report or any Payment Date Report.

With effect from the Refinancing Date, the below amends the relevant part of "The Portfolio" section in the 2015 Prospectus and the Amendment and Supplemental Trust Deed will amend the specified Schedules of the Investment Management and Collateral Administration Agreement, as set out below. Purchasers of the Refinancing Notes will be deemed to have approved the modifications to the Investment Management and Collateral Administration Agreement contained in the Amendment and Supplemental Trust Deed, including (without limitation) in respect of the amendments to the Collateral Quality Tests, set out below.

Collateral Debt Obligations

Each of the most recent Monthly Report and the Payment Date Report (each as defined in the 2015 Prospectus) prior to the Refinancing Date with respect to the Collateral Debt Obligations has been filed with the Irish Stock Exchange, such information has not been audited or otherwise reviewed by any accounting firm. Such information is limited and does not provide a full description of all Collateral Debt Obligations previously held or sold by the Issuer, nor the gains or losses associated with purchases or sales of Collateral Debt Obligations, nor the levels of compliance with the Coverage Tests and Collateral Quality Tests during periods prior to the periods covered by the most recent Monthly Report and the Payment Date Report. Such reports contain information as of the dates specified therein and none of the reports are calculated as of the date of this Prospectus. As such, the information in the report may no longer reflect the characteristics of the Collateral Debt Obligations as of the date of this Prospectus or on or after the Refinancing Date. The Initial Purchaser did not participate in the production of most recent Monthly Report and the most recent Payment Date Report or any other Monthly Report or Payment Date Report, takes no responsibility in respect of any report, provides no representations or warranties as to the accuracy or completeness thereof and will have no liability whatsoever for any information, estimates, approximations or projections contained therein. The composition of the Portfolio will change over time as a result of (i) scheduled and unscheduled principal payments on the Collateral Debt Obligations, (ii) sales of Collateral Debt Obligations and reinvestment of Sale Proceeds and other Principal Proceeds and (iii) other factors, subject to the limitations described under "*The Portfolio*" in the 2015 Prospectus.

Collateral Quality Tests

With effect from the Refinancing Date, certain terms in specified Schedules to the Investment Management and Collateral Administration Agreement shall be amended in the Amendment and Supplemental Trust Deed (the Amendment and Supplemental Trust Deed together with the Investment Management and Collateral Administration Agreement, the "**Amended Investment Management and Collateral Administration Agreement**") as set out below.

For the purpose of Condition 14(c)(xxvii) (*Modification and Waiver*), the Noteholders of the Refinancing Notes which are Class A Notes (the Controlling Class) consent (deemed to be acting by way of Ordinary Resolution) to the modification of each of the Maximum Weighted Average Life Test, the S&P CDO Monitor Test, the Moody's Maximum Weighted Average Rating Factor Test and the Moody's Minimum Weighted Average Recovery Rate Test and the deletion of the S&P Minimum Weighted Average Recovery Rate Test in each case as set out below and in the Investment Management and Collateral Administration Agreement (in the form set out here and in the Amendment and Supplemental Trust Deed) by their subscription for such Class A Notes, provided that Rating Agency Confirmation (or such other confirmation as the relevant Rating Agency is willing

to provide from time to time that such modification or amendment will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency) is received from S&P and Moody's.

The Maximum Weighted Average Life Test

Schedule 15 (*Weighted Average Life Test*) of the Investment Management and Collateral Administration Agreement is amended by deleting the "Maximum Weighted Average Life Test" and replacing it with the following:

The "**Maximum Weighted Average Life Test**" will be satisfied on any Measurement Date if the Weighted Average Life as of such date is less than the number of years (rounded to the nearest one hundredth thereof) during the period from such Measurement Date to 4 September 2024.

S&P Minimum Weighted Average Recovery Rate Test

With respect to the Investment Management and Collateral Administration Agreement, pursuant to Condition 14(c)(xix) and (xxvii) (*Modification and Waiver*) and Clause 25.2(s) and 25.2(aa) (*Modification*) of the Trust Deed:

(a) Schedule 3 (*Collateral Quality Tests*) is amended to:

 (i) add the following words after the word "Outstanding": "(as of the Effective Date and until the expiry of the Reinvestment Period only); and

 (ii) delete the "S&P Minimum Weighted Average Recovery Rate Test";

(b) Schedule 6 (*S&P Matrix*) is deleted entirely;

(c) Schedule 9 *(S&P Minimum Weighted Average Recovery Rate Test)* is deleted entirely; and

(d) the definition of "**Minimum Weighted Average Spread**" in Schedule 13 (*Minimum Weighted Average Spread Test*) is amended to delete the words "greater of (a) the percentage set forth in the S&P Matrix based upon the option chosen by the Investment Manager and (b)".

S&P CDO Monitor Test

Pursuant to Condition 14(c)(xix) and (xxvii) (*Modification and Waiver*) and Clause 25.2(s) and 25.2(aa) (*Modification*) of the Trust Deed, Schedule 8 (*S&P CDO Monitor Test*) of the Investment Management and Collateral Administration Agreement is amended by deleting the content entirely and replacing it with the following:

The "**S&P CDO Monitor Test**" will be satisfied on any date of determination on or after the Effective Date and during the Reinvestment Period if, after giving effect to the purchase of any additional Collateral Debt Obligation, the S&P CDO Monitor Adjusted BDR is equal to or greater than the S&P CDO Monitor SDR. The S&P CDO Monitor Test shall only be applicable to the junior-most Class of Notes rated "AAA" at Closing.

"**S&P CDO Monitor Adjusted BDR**" means the threshold value for the S&P CDO Monitor Test, calculated as a percentage by adjusting the S&P CDO Monitor BDR for changes in the Principal Balance of the Collateral Debt Obligations relative to the Target Par Amount as follows:

S&P CDO Monitor BDR * (OP / NP) + (NP – OP) / NP * (1 – S&P Weighted Average Recovery Rate), where OP = Target Par Amount; and NP = the sum of the Aggregate Principal Balances of the Collateral Debt Obligations (excluding obligations with an S&P Rating below "CCC-"), Principal Proceeds, and the sum of the products of the lower of the S&P Recovery Rate or the Market Value of each obligation with an S&P Rating below "CCC-" and the Principal Balance of the relevant obligation.

"**S&P CDO Monitor BDR**" means the value calculated using the formula provided by S&P at closing:

S&P CDO Monitor BDR = C0 + (C1 * S&P Weighted Average Spread) + (C2 * S&P Weighted Average Recovery Rate[3]).

C0, C1 and C2 will not change unless S&P provides updated co-efficients at the request of the Collateral Manager following the Issue Date. As at the Issue Date, C0, C1 and C2 have the following values: C0 = 0.229807995013721; C1 = 3.27846490074381 and C2 = 0.950324539133792.

"**S&P Weighted Average Spread**" means the aggregate of:

(i) the Weighted Average Spread (provided that the Weighted Average Spread for such purpose shall be determined, where EURIBOR (or such other floating rate of interest specified in and calculated in accordance with the relevant Underlying Instrument) is less than zero, using EURIBOR Floor Adjustment assuming that EURIBOR (or such other floating rate of interest specified in and calculated in accordance with the relevant Underlying Instrument) were equal to zero); plus

(ii) the Gross Fixed Rate Excess (which, for the purpose of this calculation only, may be a negative amount).

"**S&P CDO Monitor SDR**" means the percentage derived from the following equation: 0.329915 + (1.210322 * EPDR) – (0.586627 * DRD) + (2.538684 / ODM) + (0.216729 / IDM) + (0.0575539 / RDM) – (0.0136662 * WAL), where EPDR is the S&P Expected Portfolio Default Rate; DRD is the S&P Default Rate Dispersion; ODM is the S&P Obligor Diversity Measure; IDM is the S&P Industry Diversity Measure; RDM is the S&P Regional Diversity Measure; and WAL is the Weighted Average Life.

"**S&P Default Rate**" means, with respect to all Collateral Debt Obligations, the default rate determined in accordance with Annex B (*S&P Default Rate Table*) of this Prospectus 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).

"**S&P Default Rate Dispersion**" means, with respect to all Collateral Debt Obligations, (A) the sum of the product of (i) the Principal Balance of each such Collateral Debt Obligation and (ii) the absolute value of (x) the S&P Default Rate minus (y) the S&P Expected Portfolio Default Rate divided by (B) the Aggregate Principal Balance for all such Collateral Debt Obligations.

"**S&P Expected Portfolio Default Rate**" means, with respect to all Collateral Debt Obligations, (i) the sum of the product of (x) the Principal Balance of each such Collateral Debt Obligation and (y) the S&P Default Rate divided by (ii) the Aggregate Principal Balance for all such Collateral Debt Obligations.

"**S&P Industry Diversity Measure**" means a measure calculated by determining the Aggregate Principal Balance of the Collateral Debt Obligations within each S&P Industry Classification in the portfolio, then dividing each of these amounts by the Aggregate Principal Balance of the Collateral Debt Obligations from all the S&P Industry Classifications in the portfolio, squaring the result for each industry, then taking the reciprocal of the sum of these squares.

"**S&P Obligor Diversity Measure**" means a measure calculated by determining the Aggregate Principal Balance of the Collateral Debt Obligations from each obligor and its affiliates, then dividing each such Aggregate Principal Balance by the Aggregate Principal Balance of Collateral Debt Obligations from all the obligors in the portfolio, then squaring the result for each obligor, then taking the reciprocal of the sum of these squares.

"**S&P Regional Diversity Measure**" means a measure calculated by determining the Aggregate Principal Balance of the Collateral Debt Obligations within each S&P region set forth in Annex C (*S&P Regional Diversity Measure Table*) of this Prospectus, then dividing each of these amounts by the Aggregate Principal Balance of the Collateral Debt Obligations from all S&P regions in the portfolio, squaring the result for each region, then taking the reciprocal of the sum of these squares.

"**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 Investment Management and Collateral Administration

[3] For the purposes of the "S&P CDP Monitor BDR" definition, the S&P Weighted Average Recovery Rate shall reference the applicable "AAA" S&P Recovery Rates.

Agreement or as advised by S&P. Extracts of the S&P Recovery Rates applicable under the Investment Management and Collateral Administration Agreement as at the Issue Date are set out in Annex C (*S&P Recovery Rates*) of the 2015 Prospectus.

"**S&P Weighted Average 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 (excluding Purchased Accrued Interest and Ramp 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.

"**EURIBOR Floor Adjustment**" means, if a Collateral Debt Obligation is subject to a floor, the margin shall include, if positive, (x) the EURIBOR (or such other floating rate of interest specified in and calculated in accordance with the relevant Underlying Instrument) floor value minus (y) EURIBOR (or such other floating rate of interest specified in and calculated in accordance with the relevant Underlying Instrument) applicable in respect of such Collateral Debt Obligation on such Measurement Date only as notified to the Collateral Administrator by the relevant loan agent, 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 by the Hedge Counterparty to the Issuer the additional interest amount in respect of such additional margin shall be determined by applying the Spot Rate to the stated interest rate spread over EURIBOR payable and not the applicable Currency Hedge Transaction Exchange Rate.

The Moody's Maximum Weighted Average Rating Factor Test

Pursuant to Condition 14(c)(xix) and (xxvii) (*Modification and Waiver*) and Clause 25.2(s) and 25.2(aa) (*Modification*) of the Trust Deed, Schedule 10 (*Moody's Maximum Weighted Average Rating Factor Test*) of the Investment Management and Collateral Administration Agreement is amended by:

(a) deleting in their entirety the definitions of "Moody's Par WARF Modifier" and "Moody's Excess Par"; and

(b) deleting the definition of "Moody's Maximum Weighted Average Rating Factor Test" and replacing it with the following:

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 of the Collateral Debt Obligations 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 Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) (acting on behalf of the Issuer) as at such Measurement Date; plus

(b) the Moody's Weighted Average Recovery Adjustment,

provided, however, that the sum of (a) and (b) may not exceed 3,900.

The Moody's Minimum Weighted Average Recovery Rate Test

Pursuant to Condition 14(c)(xix) and (xxvii) (*Modification and Waiver*) and Clause 25.2(s) and 25.2(aa) (*Modification*) of the Trust Deed, Schedule 11 (*Moody's Minimum Weighted Average Recovery Rate Test*) of the Investment Management and Collateral Administration Agreement is amended by deleting the definition of "Moody's Weighted Average Rating Factor Adjustment" and replacing it with the following:

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 Investment 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) 60, if the Weighted Average Spread is less than 3.0 per cent., (B) 75, if the Weighted Average Spread is equal to or higher than 3.0 per cent. but less than 3.5 per cent., (C) 75, if the Weighted Average Spread is equal to or higher than 3.5 per cent. but less than 4.5 per cent., and (D) 80, if the Weighted Average Spread is equal to or higher than 4.5 per cent.,

and dividing the result by 100.

Moody's Test Matrix

Pursuant to Condition 14(c)(xv) *(Modification and Waiver*) and Clause 25.2(o) (*Modification*) of the Trust Deed, with effect from the Refinancing Date, the Moody's Test Matrix applicable for the purposes of the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Diversity Test and the Minimum Weighted Average Spread Test set out in the Investment Management and Collateral Administration Agreement shall be amended by way of the Amendment and Supplemental Trust Deed as set out below.

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.

Moody's Test Matrix

Minimum Weighted Average Spread	Minimum Diversity Score																
	28	30	32	34	36	38	40	42	44	46	48	50	52	54	56	58	60
2.40%	1,945	1,970	1,975	2,000	2,015	2,025	2,040	2,055	2,060	2,075	2,085	2,090	2,105	2,110	2,115	2,125	2,130
2.50%	2,045	2,055	2,088	2,095	2,105	2,125	2,135	2,145	2,165	2,170	2,180	2,190	2,200	2,205	2,215	2,220	2,230
2.60%	2,130	2,155	2,175	2,185	2,205	2,220	2,235	2,245	2,255	2,270	2,280	2,290	2,295	2,305	2,315	2,320	2,330
2.70%	2,225	2,250	2,265	2,285	2,300	2,315	2,330	2,345	2,355	2,365	2,375	2,385	2,395	2,405	2,415	2,420	2,425
2.80%	2,320	2,340	2,360	2,380	2,395	2,410	2,425	2,440	2,455	2,465	2,475	2,485	2,495	2,505	2,510	2,520	2,525
2.90%	2,415	2,435	2,455	2,475	2,490	2,510	2,520	2,535	2,550	2,560	2,570	2,580	2,595	2,600	2,610	2,620	2,630
3.00%	2,450	2,505	2,535	2,555	2,585	2,605	2,620	2,635	2,650	2,660	2,670	2,680	2,695	2,700	2,710	2,720	2,725
3.10%	2,515	2,550	2,585	2,615	2,645	2,665	2,690	2,710	2,730	2,755	2,770	2,780	2,795	2,800	2,810	2,820	2,830
3.20%	2,570	2,610	2,640	2,670	2,700	2,725	2,735	2,770	2,790	2,810	2,830	2,845	2,860	2,875	2,890	2,895	2,915
3.30%	2,620	2,655	2,699	2,720	2,745	2,770	2,795	2,815	2,840	2,855	2,875	2,890	2,905	2,920	2,935	2,950	2,960
3.40%	2,650	2,695	2,740	2,770	2,800	2,825	2,850	2,870	2,890	2,905	2,925	2,940	2,955	2,970	2,985	2,995	3,010
3.50%	2,685	2,735	2,770	2,795	2,825	2,850	2,875	2,895	2,915	2,935	2,955	2,970	2,985	3,000	3,015	3,030	3,040
3.60%	2,730	2,790	2,820	2,840	2,865	2,895	2,920	2,955	2,975	2,980	3,000	3,015	3,035	3,050	3,065	3,075	3,090
3.70%	2,775	2,820	2,855	2,885	2,915	2,945	2,970	2,990	3,010	3,030	3,060	3,065	3,080	3,095	3,110	3,120	3,135
3.80%	2,810	2,855	2,905	2,950	2,975	3,000	3,025	3,045	3,065	3,085	3,105	3,125	3,140	3,155	3,165	3,180	3,195
3.90%	2,845	2,900	2,940	2,990	3,015	3,040	3,065	3,090	3,115	3,135	3,150	3,170	3,185	3,200	3,215	3,230	3,240
4.00%	2,865	2,930	2,970	3,010	3,060	3,090	3,115	3,140	3,160	3,180	3,195	3,215	3,230	3,245	3,260	3,275	3,285
4.10%	2,895	2,960	3,020	3,045	3,100	3,135	3,160	3,180	3,200	3,220	3,240	3,260	3,275	3,290	3,305	3,320	3,335
4.20%	2,920	2,990	3,035	3,100	3,130	3,165	3,190	3,235	3,260	3,265	3,285	3,315	3,320	3,335	3,350	3,360	3,375
4.30%	2,970	3,020	3,070	3,125	3,160	3,200	3,230	3,275	3,300	3,320	3,335	3,355	3,370	3,390	3,405	3,420	3,430
4.40%	3,000	3,055	3,100	3,155	3,195	3,235	3,280	3,310	3,335	3,355	3,375	3,395	3,410	3,425	3,440	3,455	3,470

Minimum Weighted Average	Minimum Diversity Score																
4.50%	3,015	3,090	3,125	3,185	3,230	3,260	3,310	3,340	3,370	3,390	3,410	3,430	3,445	3,460	3,480	3,495	3,505
4.60%	3,050	3,115	3,155	3,220	3,260	3,290	3,340	3,375	3,400	3,425	3,450	3,465	3,480	3,500	3,515	3,530	3,545
4.70%	3,080	3,140	3,205	3,235	3,285	3,320	3,355	3,400	3,430	3,455	3,480	3,500	3,520	3,535	3,550	3,565	3,580
4.80%	3,125	3,170	3,220	3,280	3,315	3,350	3,385	3,430	3,460	3,485	3,510	3,530	3,550	3,570	3,585	3,600	3,615
4.90%	3,135	3,200	3,255	3,305	3,345	3,385	3,430	3,460	3,490	3,515	3,535	3,560	3,580	3,600	3,620	3,635	3,645
5.00%	3,160	3,235	3,280	3,335	3,375	3,415	3,460	3,490	3,520	3,545	3,570	3,590	3,610	3,630	3,650	3,665	3,680
5.10%	3,210	3,260	3,305	3,365	3,410	3,440	3,490	3,525	3,550	3,575	3,600	3,620	3,640	3,660	3,680	3,695	3,710
5.20%	3,235	3,300	3,335	3,395	3,435	3,465	3,525	3,550	3,575	3,605	3,630	3,650	3,670	3,690	3,710	3,725	3,740
5.30%	3,255	3,310	3,360	3,425	3,465	3,515	3,550	3,580	3,610	3,635	3,655	3,680	3,700	3,720	3,740	3,760	3,770
5.40%	3,295	3,355	3,405	3,450	3,490	3,550	3,580	3,610	3,640	3,665	3,685	3,710	3,730	3,750	3,770	3,785	3,800
5.50%	3,320	3,385	3,430	3,480	3,515	3,580	3,610	3,640	3,670	3,690	3,715	3,740	3,755	3,780	3,800	3,815	3,835
5.60%	3,340	3,410	3,450	3,505	3,560	3,600	3,635	3,670	3,695	3,720	3,745	3,765	3,785	3,810	3,825	3,850	3,865
5.70%	3,365	3,430	3,495	3,545	3,585	3,625	3,660	3,695	3,720	3,745	3,770	3,790	3,815	3,835	3,855	3,880	3,890
5.80%	3,395	3,450	3,520	3,570	3,610	3,650	3,685	3,720	3,745	3,775	3,795	3,820	3,845	3,860	3,890	3,905	3,925
5.90%	3,420	3,490	3,540	3,590	3,635	3,670	3,705	3,740	3,770	3,800	3,820	3,850	3,870	3,890	3,915	3,930	3,955
6.00%	3,445	3,515	3,580	3,610	3,665	3,690	3,730	3,760	3,795	3,825	3,845	3,875	3,895	3,920	3,940	3,960	3,980

TAX CONSIDERATIONS

GENERAL

Purchasers of Refinancing 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 Refinancing Note.

POTENTIAL PURCHASERS ARE WHOLLY RESPONSIBLE FOR DETERMINING THEIR OWN TAX POSITION IN RESPECT OF THE REFINANCING NOTES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THEIR TAX POSITION ON PURCHASE, OWNERSHIP, TRANSFER OR EXERCISE OF ANY REFINANCING NOTE SHOULD CONSULT THEIR OWN TAX ADVISERS. IN PARTICULAR, NO REPRESENTATION IS MADE AS TO THE MANNER IN WHICH PAYMENTS UNDER THE REFINANCING 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 REFINANCING NOTES.

NETHERLANDS TAXATION

The comments below are of a general nature based on taxation law and practice in The Netherlands as at the date of this Prospectus and are subject to any changes therein, without prejudice to any amendment introduced at a later date and implemented with or without retroactive effect. The summary relates only to the position of persons who are absolute beneficial owners of the Refinancing Notes and does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Refinancing Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as holders that are subject to taxation in Bonaire, St. Eustatius and Saba or trusts or similar arrangements) may be subject to special rules. The following is a general description of certain tax considerations relating to the Refinancing Notes. It does not purport to be a complete analysis of all tax considerations relating to the Refinancing Notes and so should be treated with appropriate caution.

In particular, it does not take into consideration any tax implications that may arise on a substitution of the Issuer. Prospective investors should consult their own professional advisors concerning the possible tax consequences of purchasing, holding and/or selling Refinancing Notes and receiving payments of interest, principal and/or other amounts under the Refinancing Notes under the applicable laws of their country of citizenship, residence or domicile.

Investors should note that with respect to paragraph (b) below, the summary does not describe The Netherlands tax consequences for holders of Refinancing Notes if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest or deemed substantial interest in the Issuer under the Dutch Income Tax Act 2001 (*Wet Inkomstenbelasting 2001*). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his/her partner (as defined in the Dutch Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5 per cent. or more of the total issued and outstanding capital of that company or of 5 per cent. or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) holds rights to acquire, directly or indirectly, such interest; or (iii) holds certain profit sharing rights in that company that relate to 5 per cent. or more of the company's annual profits and/or 5 per cent. or more of the company's liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis. Under the existing laws of The Netherlands:

(a) all payments of interest and principal by the Issuer under the Refinancing Notes can be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld, or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein;

(b) a holder of a Refinancing Note who is not a resident of The Netherlands and who derives income from a Refinancing Note or who realises a gain on the disposal or redemption of a Refinancing Note will not be subject to Dutch taxation on such income or capital gain, unless:

(i) the holder is deemed to be resident in The Netherlands;

(ii) such income or gain is attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in The Netherlands; or

(iii) the holder is an individual and such income or gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) in The Netherlands as defined in the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*);

(c) Dutch gift, estate or inheritance taxes will not be levied on the occasion of the transfer of a Refinancing Note by way of gift by, or on the death of, a holder unless:

(i) the holder is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions; or

(ii) the transfer is construed as an inheritance or as a gift made by or on behalf of a person who, at the time of the gift or death, is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions;

(d) there is no Dutch registration tax, stamp duty or any other similar tax or duty payable in The Netherlands in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgment in the courts of The Netherlands) of the Refinancing Notes or the performance of the Issuer's obligations under the Refinancing Notes;

(e) there is no Dutch VAT payable in respect of payments in consideration for the issue of the Refinancing Notes or in respect of the payment of interest or principal under the Refinancing Notes or the transfer of a Refinancing Note; and

(f) a holder of a Refinancing Note will not be treated as a resident of The Netherlands by reason only of the holding of a Refinancing Note or the execution, performance, delivery and/or enforcement of the Refinancing Notes.

UNITED STATES FEDERAL INCOME TAXATION

In General

The following discussion summarises certain of the material U.S. federal income tax consequences of the purchase, beneficial ownership, and disposition of the Refinancing Notes.

For purposes of this summary, a "**U.S. Holder**" is a beneficial owner of a Refinancing Note that is, for U.S. federal income tax purposes:

(a) an individual who is a citizen or a resident of the United States;

(b) a corporation that is created or organised in or under the laws of the United States, any State thereof, or the District of Columbia;

(c) an estate whose income is subject to U.S. federal income taxation regardless of its source; or

(d) 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 Refinancing Note that is neither a partnership for U.S. federal income tax purposes 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:

In the case of a partnership (or other pass-through entity or arrangement) that is a beneficial owner of a Refinancing Note, the tax treatment of a partner of such partnership (or other equity-holder of such other pass-through entity or arrangement) will generally depend on the status of such partner (or other equity holder) and upon the activities of such pass-through entity or arrangement. Partners of partnerships (or other equity holders of other pass-through entities or arrangements, as applicable) that are beneficial owners of Refinancing Notes should consult their tax advisors.

This summary is based on interpretations of the U.S. 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 U.S. federal income tax consequences described herein. This summary addresses only holders that purchase Refinancing Notes for cash at initial issuance (and at their issue price) and beneficially own such Refinancing Notes as capital assets and not as part of a "straddle", "hedge", "synthetic security" or a "conversion transaction" for federal income tax purposes, or as part of some other integrated investment. This summary does not discuss all of the tax consequences (such as any alternative minimum tax consequences) that may be relevant to particular investors or to investors subject to special treatment under the federal income tax laws (such as banks, thrifts, or other financial institutions; insurance companies; securities dealers or brokers, or traders in securities electing mark-to-market treatment; mutual funds or real estate investment trusts; small business investment companies; S corporations; partnerships or investors that hold their Refinancing Notes through a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes; investors whose functional currency is not the U.S. dollar; certain former citizens or residents of the United States; retirement plans or other tax-exempt entities, or persons holding the Refinancing Notes in tax-deferred or tax-advantaged accounts; or "controlled foreign corporations" or "passive foreign investment companies" for U.S. federal income tax purposes). This summary also does not address the tax consequences to shareholders, or other equity holders in, or beneficiaries of, a holder of Refinancing Notes, or any state, local or foreign tax consequences of the purchase, ownership or disposition of the Refinancing Notes. Finally, this summary does not address the tax consequences to U.S. Holders that owned Original Notes.

PROSPECTIVE PURCHASERS OF REFINANCING NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE U.S. FEDERAL, STATE AND LOCAL TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF REFINANCING 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. The Issuer intends to conduct its affairs in a manner designed to prevent the Issuer from being treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes. Prospective investors should be aware, however, that no opinion of counsel or ruling from the U.S. Internal Revenue Service ("**IRS**") was sought in conjunction with the 2015 Prospectus, and no new opinion of counsel or ruling from the IRS will be obtained with regard to whether the Issuer was or will be engaged in a trade or business within the United States for U.S. federal income tax purposes. If the IRS were to assert successfully that the Issuer is engaged in a U.S. trade or business part or all of the income and gains of the Issuer could be subject to U.S. federal income tax and additional branch profits tax, which could cause material adverse financial consequences to the Issuer and to persons who hold the Refinancing Notes. There can be no assurance that the Issuer's net income will not become subject to U.S. federal income tax as a result of unanticipated activities by the Issuer, changes in law, contrary conclusions by U.S. tax authorities or other causes.

If it were 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 would be subject under the Code to the regular U.S. corporate income tax on such effectively connected taxable income (computed possibly without any allowance for deductions) and possibly to a 30 per cent. branch profits tax as well. The imposition of such a tax liability could materially adversely affect the Issuer's ability to make payments on the Refinancing Notes. The balance of this summary assumes that the Issuer is not subject to U.S. federal income tax on its net income.

U.S. Federal Tax Treatment of the Refinancing Notes

Upon the issuance of the Notes, the Issuer will receive an opinion of Allen & Overy LLP to the effect that under current law, based on certain assumptions, the Class A Notes, Class B Notes, Class C Notes, and Class D Notes will be treated as indebtedness for U.S. federal income tax purposes. The Issuer intends to treat each Class of the Rated Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes. The Issuer's characterisations will be binding on all Noteholders, and the Trust Deed requires the Noteholders to treat (unless otherwise required by applicable law) the Rated Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. The determination of whether a Rated Note will or should be treated as debt for United States federal income tax purposes is based on the facts and circumstances existing at the time the Rated Note is issued. Nevertheless, the IRS could assert, and a court could ultimately hold, that one or more Classes of Rated Notes are equity in the Issuer. If any Rated Notes were treated as equity in, rather than debt of, the Issuer for U.S. federal income tax purposes, then the discussion under "U.S. Federal Tax Treatment of U.S. Holders of Subordinated Notes" in the 2015 Prospectus would apply. Except as otherwise indicated, the balance of this summary assumes that all of the Rated Notes are treated as indebtedness of the Issuer for U.S. federal, state and local income and franchise tax purposes. Prospective investors in the Rated Notes should consult their tax advisors regarding the U.S. federal, state and local income and franchise tax consequences to the investors in the event their Rated Notes are treated as equity in the Issuer. **U.S. Federal Tax Treatment of U.S. Holders of Refinancing Notes**

Payments of Interest on the Rated Notes

Subject to the discussion of original discount ("OID") below, a U.S. holder of a Rated Note that uses the cash method of accounting generally must include in income the U.S. dollar value of interest paid when received. Interest received in a currency other than the U.S. dollar (a "foreign currency") is translated at the U.S. dollar spot rate, 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 an interest payment but may have foreign currency gain or loss upon disposing of the foreign currency received.

A U.S. holder of a Rated Note that uses the accrual method of accounting or any U.S. holder required to accrue OID, as applicable, will be required to include in income the U.S. dollar value of interest accrued during the accrual period. A 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 rate for the interest accrual period (or, with respect to an accrual period that spans two taxable years, the partial period within the relevant 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 exchange rate 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 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 relevant 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 foreign currency received.

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 "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 and the Class D Notes (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. 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 the U.S. holder holds 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.

Because the OID rules are complex, each U.S. holder of an OID Note should consult with its own tax advisor regarding the acquisition, ownership, disposition and retirement of such 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".

Sale, Exchange, Redemption, Repayment or Other Disposition

Unless a non-recognition provision applies, a U.S. holder generally will recognise gain or loss on the sale, exchange, redemption, 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.

Gain or loss attributable to fluctuations in currency exchange rates with respect to the principal amount of a Rated Note generally will equal the difference, if any, between the U.S. dollar value of the U.S. Noteholder’s purchase price for the Rated Note, determined at the spot exchange rate on the date principal is received from the Issuer or the U.S. holder disposes of the Rated Note, and the U.S. dollar value of the U.S. Noteholder’s purchase price for the Note, determined at the spot exchange rate on the date the U.S. holder purchased such Note. The amount realised on the sale, exchange, redemption or repayment or other disposition of a Rated Note generally will be determined by translating the 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 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 treated as traded on an established securities market for U.S. federal income tax purposes, 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. 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.

A U.S. Noteholder will have a tax basis in foreign currency received as payment of stated interest, OID or principal, or on the sale, exchange, redemption or repayment of a Rated Note equal to the U.S. dollar value of the foreign currency at the spot exchange rate in effect on the relevant date of receipt of the foreign currency. Any gain or loss recognised on a sale, exchange or other disposition of such foreign currency generally will be ordinary income or loss from sources within the United States for foreign tax credit purposes. A U.S. Noteholder that converts the foreign currency into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

Foreign currency gain or loss recognised by a U.S. holder on the sale, exchange, redemption, repayment or other disposition of a Rated Note 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 "United States Federal Income Taxation – Tax Treatment of U.S. Holders of Subordinated Notes" in the 2015 Prospectus.

Transfer and Information Reporting Requirements

Specified Foreign Financial Asset Reporting

Certain U.S. Holders may be subject to reporting obligations with respect to their Refinancing Notes if they do not hold their Refinancing Notes in an account maintained by a financial institution and the aggregate value of their Refinancing Notes and certain other "specified foreign financial assets" (applying certain attribution rules) exceeds $50,000. Significant penalties can apply if a U.S. Holder is required to disclose its Refinancing Notes and fails to do so.

Reportable Transactions

A participant in a "reportable transaction" is required to disclose its participation in such a transaction on IRS Form 8886. Any foreign currency exchange loss in excess of $50,000 recognised by a U.S. Holder may be subject to this disclosure requirement. Failure to comply with this disclosure requirement can result in substantial penalties. U.S. Holders should consult their advisors with respect to the requirement to disclose reportable transactions.

U.S. Federal Tax Treatment of Non-U.S. Holders of Refinancing Notes

In general, payments on the Refinancing 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 Refinancing Notes by the Non-U.S. Holder will not be subject to U.S. federal income or withholding tax unless (i) such income is effectively connected with a trade or business conducted by such Non-U.S. Holder in the United States, or (ii) in the case of gain, such Non-U.S. Holder is a non-resident alien individual who holds the Refinancing 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 Refinancing Notes. Backup withholding will apply to a U.S. Holder only if the U.S. Holder (i) fails to furnish its Taxpayer Identification Number ("**TIN**") which, for an individual, would be his or her Social Security Number, (ii) furnishes an incorrect TIN, (iii) is notified by the IRS that it has failed to properly report payments of interest and dividends, or (iv) 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 (or applicable successor form) to the Trustee or other paying agent.

A Non-U.S. Holder that provides to the Trustee or other paying agent an applicable IRS Form W-8 (or applicable successor form), 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.

Information reporting and backup withholding may apply to the proceeds of a sale of Refinancing Notes made within the United States or conducted through certain U.S. related financial intermediaries, unless the payor receives the statement described above or the Non-U.S. Holder otherwise establishes an exemption.

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 treated as a foreign financial institution for these purposes. A number of jurisdictions (including the Netherlands) 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 certain Noteholders and certain of the Noteholder's direct and indirect U.S. beneficial owners to the IRS or the Irish Revenue Commissioners. 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 achieving FATCA Compliance, the Issuer generally will 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.

ADDITIONAL ERISA CONSIDERATIONS

In addition to the ERISA considerations described in the 2015 Prospectus under "*Certain ERISA Considerations*" each purchaser and transferee of any Refinancing 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 Refinancing Note or interest therein through and including the date on which it disposes of such Refinancing Note or interest therein, 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 Refinancing 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 the Refinancing 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, the Investment Manager or the Collateral Administrator for investment advice (as opposed to other services) in connection with its acquisition or holding of the Refinancing 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, the Trustee, the Collateral Administrator or the Investment 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 or transferee's acquisition or holding of the Refinancing Notes and (y) has received and understands the disclosure of the existence and nature of the financial interests contained in the prospectus and related materials.

PLAN OF DISTRIBUTION

The information in this section replaces the information in the section entitled "Plan of Distribution" in the 2015 Prospectus in its entirety.

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 subscribe and pay for each Class of the Refinancing Notes (other than the Refinancing Retention 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. The Initial Purchaser may offer the Refinancing Notes (other than the Refinancing Retention Notes) at other prices in privately negotiated transactions at the time of sale.

The Retention Holder has agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe for the Refinancing Retention Notes from the Issuer on the Refinancing Date at their respective issue prices described above pursuant to a retention notes purchase agreement. The Refinancing Retention Notes will be issued in Definitive Form.

It is a condition of the issue of the Refinancing Notes of each Class that the Refinancing Notes of each other Class be issued in the following principal amounts: Class A Notes: €252,750,000, Class B Notes: €60,250,000, Class C Notes: €26,000,000 and Class D Notes: €23,500,000.

The Refinancing 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 the Refinancing Notes (a) to non-U.S. Persons in offshore transactions in reliance on Regulation S and in accordance with applicable law and (b) to U.S. Persons (directly or through its U.S. broker dealer Affiliate) in reliance on Rule 144A only to or for their own account or for the accounts of, in each case, QIB/QPs. The Initial Purchaser may retain a certain proportion of the Refinancing Notes in their portfolios with an intention to hold to maturity or to trade. The holding or any sale of the Refinancing Notes by these parties may adversely affect the liquidity of the Refinancing Notes and may also affect the prices of the Refinancing Notes in the primary or secondary market.

The Refinancing Notes sold in reliance on Regulation S will be issued in minimum denominations of €100,000 each and integral multiples of €1,000 in excess thereof. The Refinancing Notes sold in reliance on Rule 144A will be issued in minimum denominations of €250,000 each and integral multiples of €1,000 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.

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 its 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 Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Refinancing Notes and for the admission to listing to the Official List of the Irish Stock Exchange of the Refinancing Notes of each Class and trading of the Refinancing Notes on its regulated market.

The Initial Purchaser has also 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) (the

"**FSMA**") received by it in connection with the issue or sale of the Refinancing 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 Refinancing Notes in, from or otherwise involving the United Kingdom.

(b) *European Economic Area*: In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") the Initial Purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Refinancing Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Refinancing Notes to the public in that Relevant Member State at any time:

(i) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant dealer or dealers nominated by the Issuer for any such offer; or

(iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Refinancing Notes shall require the publication by the Issuer or any other entity of a prospectus pursuant to Article 3 of the Prospectus Directive.

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

(c) *Australia*: Neither this Offering Circular nor any other prospectus or disclosure document (as defined in the Corporations Act 2001 (the "**Australian Corporations Act**")) in relation to the Refinancing 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 Refinancing 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 Australian 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 Australian Corporations Act and applicable regulations) in Australia. This document will only be provided to "professional investors" as defined in the Australian 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 Refinancing Notes will be offered in Austria in reliance an on exemption from the document

publication requirement under the KMG. The Initial Purchaser has represented and agreed that it will offer the Refinancing Notes in Austria only in compliance with the provisions of the KMG, and Refinancing 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 Refinancing 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 Refinancing 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 Refinancing Notes may not be distributed in Belgium by way of an offer of the Refinancing 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 Refinancing Notes. The Initial Purchaser has represented and agreed that it will not:

(i) offer for sale, sell or market the Refinancing 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 Refinancing 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 Refinancing 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 Refinancing 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 Refinancing Notes in Denmark means the communication in any form and by any means of sufficient information on the terms of the offer and the Refinancing Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Refinancing Notes.

(j) *France*: Neither this Offering Circular nor any other offering material relating to the Refinancing 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 Refinancing 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 Refinancing 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 Refinancing 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 Refinancing 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 Refinancing Notes will be made to the public in Germany. This Offering Circular and any other document relating to the Refinancing 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 Refinancing 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 Refinancing Notes (except for Refinancing Notes which are "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 Refinancing 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 Refinancing 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 Refinancing 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 advisers about the particular consequences to it of an investment in these Refinancing Notes. Each prospective investor is also advised that any investment in these Refinancing 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 and agreed that:

(i) to the extent applicable, it will not underwrite the issue or placement of the Refinancing Notes otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended, the "**MiFID Regulations**") including, without limitation, Regulations 7 (Authorisation) and 152 (Restrictions on advertising) thereof or any codes of conduct made under the MiFID Regulations, and the provisions of the Investor Compensation Act 1998 (as amended);

(ii) it will not underwrite the issue or placement of the Refinancing Notes, otherwise than in conformity with the provisions of the Companies Act 2014 (as amended, the "**Companies Act 2014**"), the Central Bank Acts 1942 to 2015 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended); and

(iii) it will not underwrite the issue or placement of, or otherwise act in Ireland in respect of the Refinancing Notes, otherwise than in conformity with the provisions of the Market Abuse Regulation (EU 596/2014) (as amended), the European Union (Market Abuse) Regulations 2016 and any rules and guidance issued by the Central Bank under Section 1370 of the Companies Act 2014.

(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 "**Israeli Securities Law**").

The Initial Purchaser has represented and agreed that the Refinancing 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 Israeli Securities Law ("**Sophisticated Investors**"), namely joint investment funds or mutual trust funds, provident funds, insurance companies, banking corporations (purchasing the Refinancing Notes for themselves or for clients who are Sophisticated Investors), portfolio managers (purchasing the Refinancing Notes for themselves or for clients who are Sophisticated Investors), investment advisers or investment marketers (purchasing the Refinancing Notes for themselves), members of the Tel-Aviv Stock Exchange (purchasing the Refinancing Notes for themselves or for clients who are Sophisticated Investors), underwriters (purchasing the Refinancing 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 Israeli 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 Refinancing 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 Refinancing Notes will be offered, sold or delivered, nor will copies of this Offering Circular or of any other document relating to the Refinancing 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 Refinancing Notes to be made to the public pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998 (the "**Financial Services Act**") and Article 34, first paragraph, of Regulation 11971/1999.

The Initial Purchaser acknowledges that any offer, sale or delivery of the Refinancing Notes in the Republic of Italy or distribution of copies of this Offering Circular or any other document relating to the Refinancing Notes in the Republic of Italy under paragraphs (i) and (ii) above must be:

(i) 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

(ii) 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 Refinancing 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 Refinancing Notes being declared null and void and in the liability of the intermediary transferring the Refinancing Notes for any damages suffered by the investors.

(q) *Japan*: The Refinancing 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 Refinancing 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 Refinancing 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 Refinancing 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 Refinancing 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 Refinancing 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 Refinancing Notes which have been approved by the Commission de surveillance du secteur financier (the "**CSSF**") in Luxembourg or, where appropriate, approved in another relevant 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 Issuer 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 Refinancing Notes in Luxembourg means the communication in any form and by any means of sufficient information on the terms of the offer and the Refinancing Notes to be offered so as to enable an investor to decide to purchase the Refinancing Notes, as defined in the Prospectus Directive, or any variation thereof or amendment thereto.

(t) *Netherlands*: The Initial Purchaser has represented and agreed that it will not make an offer of the Refinancing Notes which are the subject of the offering contemplated by this Offering Circular to the public in The Netherlands in reliance on Article 3(2) of the Prospectus Directive, unless such offer is made exclusively to legal entities which are qualified investors (as defined in the Financial Markets Supervisions Act (*Wet op het financieel toezicht*) and which includes authorised discretionary asset managers acting for the account of retail investors under a discretionary investment management contract) in The Netherlands, *provided that* no such offer of Refinancing Notes shall require the Issuer or the Initial Purchaser to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

(u) *New Zealand*: This offer of Refinancing 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 Refinancing 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 Refinancing Notes to the public in Norway except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Refinancing 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 Refinancing Notes in Norway means the communication in any form and by any means of sufficient information on the terms of the offer and the Refinancing Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Refinancing 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 Issuer that: (i) it has not advertised, offered or sold and will not, directly or indirectly, advertise, offer or sell the Refinancing Notes in circumstances which could qualify as a public offer of Refinancing Notes pursuant to the Portuguese Securities Code (*Código dos Valores Mobiliários*, 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 Refinancing 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 Refinancing 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 Prospectus Directive have been complied with regarding the Refinancing Notes, in any matters involving the Republic of Portugal.

(x) *Qatar*: The Initial Purchaser has represented and agreed that the Refinancing 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 Refinancing 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 Refinancing 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 Refinancing 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 of the FSA 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 Refinancing Notes pursuant to an offer made under Section 275 of the SFA except:

(iii) 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;

(iv) where no consideration is or will be given for the transfer;

(v) where the transfer is by operation of law; or

(vi) as specified in Section 276(7) of the SFA.

(aa) *South Korea*: The Refinancing 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 Refinancing 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 Refinancing 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 Refinancing 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 Refinancing 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 Refinancing Notes may be distributed in Switzerland in connection with any such public offering.

(dd) *Taiwan*: The Refinancing 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 Refinancing 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 Refinancing Notes by residents of the Republic of Turkey, provided that: they purchase or sell such offered Refinancing 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.

(ff) *United Arab Emirates*: Each Joint Placement Agent has represented and agreed that the Notes have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

TRANSFER RESTRICTIONS

The information in this section replaces the information in the section entitled "Transfer Restrictions" in the 2015 Prospectus in its entirety.

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, you will acknowledge and agree, among other things, that you understand that the Issuer is not registered as an investment company under the Investment Company Act, and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act and Rule 3a-7 of the Investment Company Act; provided that the Issuer (or the Investment Manager on its behalf) may elect (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption from the Investment Company Act provided by Section 3(c)(7) by written notice thereof to the Trustee. Section 3(c)(7) excepts from the provisions of 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". In general terms, qualified purchaser includes any natural person who owns not less than U.S.$5,000,000 in investments; 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 Prospectus, will be deemed to have represented and agreed that such person acknowledges that this Prospectus 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 Prospectus, 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 Notes represented by a Rule 144A Global Certificate will be deemed to have represented and agreed, and each purchaser of Notes represented by Definitive Certificates will be required to represent and agree, as follows:

1. The purchaser (a) is a QIB, (b) is aware that the sale of such Rule 144A 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 "*Important Notice*" 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. 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 Arranger, the Trustee, the Investment Manager or the Collateral Administrator is acting as a fiduciary or financial or investment 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 Arranger, the Trustee, the Investment Manager or the Collateral Administrator other than in this Prospectus 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 Arranger, the Trustee, the Investment 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 advisors 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 advisors as it has deemed necessary and not upon any view expressed by the Issuer, the Initial Purchaser, the Arranger, the Trustee, the Investment 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 30 April 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 $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 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 Note, Class B Note, Class C Note or Class D Note or any interest in such Notes (i) either (A) it 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 Notes 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 or disposition of such Notes (or interests 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 non-exempt violation of any Other Plan Law, and (ii) it will not sell or transfer such Notes (or interests therein) to an acquirer acquiring such Notes (or interests therein) unless the acquirer 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 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.

(b)

(i) Each purchaser, transferee or other holder of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate (other than the Retention Holder in respect of the Retention Notes, provided that it has given an ERISA Certificate (substantially in the form of Annex A (*Form of ERISA Certificate*) to the 2015 Prospectus) to the Issuer or as otherwise permitted in writing by the Issuer with respect to interests in Class E Notes, Class F Notes or Subordinated Notes acquired in the initial offering) will be deemed to represent, warrant and agree that it is not, and is not acting on behalf of, a Benefit Plan Investor or Controlling Person. A governmental, church, non-U.S. or other plan will be deemed to represent that (x) it is not, and for so long as it holds such Notes or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law. Each holder of a Class E Note, Class F Note or Subordinated Note will agree or be deemed to agree to certain transfer restrictions regarding its interest in such Notes. Any purported transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the Issuer will have the right to cause the sale of such Class E Notes, Class F Notes or Subordinated Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(ii) An investor that is a Controlling Person, a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor may acquire a Class E Note, Class F Note or Subordinated Note in Definitive Certificate form (or any interest therein) (and the Retention Holder, provided it has given an ERISA Certificate (substantially in the form of Annex A (*Form of ERISA Certificate*) of the 2015 Prospectus) to the Issuer, may hold a Class E Note, Class F Note or Subordinated Note which is a Retention Note in the form of a Rule 144A Global Certificate, regardless of whether it is a Controlling Person or a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor for the purposes of ERISA) if such investor: (A) obtains the written consent of the Issuer and (B) provides an ERISA Certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person (substantially in the form of Annex A (*Form of ERISA Certificate*) of the 2015 Prospectus). Each purchaser or transferee or other holder of a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate or any interest in such Note will be required to: (A) represent and warrant in writing to the Issuer in an ERISA Certificate (1) whether or not, for so long as it holds such Notes or interest herein, it is, or is acting on behalf of, a Benefit Plan Investor, (2) whether or not, for so long as it holds such Notes or interest therein, it is a Controlling Person and (3) that (x) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Notes will not constitute or

result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (y) if it is a governmental, church, non-U.S. or other plan, (i) it is not, and for so long as it holds such Notes or interest therein will not be, subject to Similar Law and (ii) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law; and (B) agree to certain transfer restrictions regarding its interest in such Notes, Any purported transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the Issuer will have the right to cause the sale of such Class E Notes, Class F Notes or Subordinated Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(iii) The purchaser acknowledges that the Issuer, the Initial Purchaser, the Arranger, the Trustee, the Investment Manager and the Collateral Administrator and their Affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

(c) With respect to the purchase or transfer of any Note or interest therein by a Benefit Plan Investor, on each day from the date on which the beneficial owner acquires such Note or interest therein through and including the date on which it disposes of such Note or interest therein, 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 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, the Investment Manager or the Collateral Administrator 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, the Trustee, the Investment Manager or the Collateral Administrator, 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 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 Prospectus and related materials.

7. The purchaser understands that pursuant to the terms of the Trust Deed, the Issuer has agreed that the Rule 144A Global Certificates or Rule 144A Definitive Certificates, 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 Rule 144A Definitive Certificates, 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 with a written certification (in the form provided in the Trust Deed) as to compliance with the transfer restrictions.

ANY LOSSES IN THE ISSUER WILL BE BORNE SOLELY BY INVESTORS IN THE ISSUER AND NOT BY THE INVESTMENT MANAGER OR ITS AFFILIATES; THEREFORE, THE INVESTMENT MANAGER'S LOSSES IN THE ISSUER WILL BE LIMITED TO LOSSES ATTRIBUTABLE TO THE "OWNERSHIP INTERESTS" (AS DEFINED IN THE VOLCKER RULE) IN THE ISSUER HELD BY THE INVESTMENT MANAGER AND ANY AFFILIATE IN ITS CAPACITY AS INVESTOR IN THE ISSUER. PROSPECTIVE INVESTORS IN THE ISSUER SHOULD READ THE FINAL PROSPECTUS BEFORE INVESTING IN THE ISSUER. THE OWNERSHIP INTERESTS IN THE COVERED FUND ARE NOT INSURED BY THE UNITED STATES FEDERAL DEPOSIT INSURANCE CORPORATION AND ARE NOT DEPOSITS,

OBLIGATIONS OF, OR ENDORSED OR GUARANTEED IN ANY WAY, BY ANY BANKING ENTITY. THE ROLE OF THE INVESTMENT MANAGER AND ITS AFFILIATES AND EMPLOYEES IN SPONSORING AND PROVIDING SERVICES TO THE COVERED FUND IS DESCRIBED HEREIN.

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 UNDER 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 $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), €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, IF A VIOLATION OF (V) TO (Z) OCCURS, 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.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT 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 BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY WITHIN THE MEANING OF 29 C.F.R. SECTION

2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) ("**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 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 NOTES 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 OR DISPOSITION OF SUCH NOTES (OR INTERESTS 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 NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER SUCH NOTES (OR INTERESTS THEREIN) TO AN ACQUIRER ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIRER 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 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.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND THE SUBORDINATED NOTES IN THE FORM OF RULE 144A GLOBAL CERTIFICATES ONLY*] [ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT AND WARRANT THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER AND PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), 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 THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL NON-U.S. OR OTHER 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 INVESTMENT 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 ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). OTHER THAN ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT AND WARRANT THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND, OTHER THAN WITH RESPECT TO THE RETENTION NOTES, HOLDS SUCH CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE, AS APPLICABLE, IN THE FORM OF A DEFINITIVE CERTIFICATE; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE

CODE, 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 THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY SIMILAR LAW, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY 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**" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE 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.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION 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 THE SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER AND THE TRANSFER AGENTS (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON AND (3) THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") 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 THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL NON-U.S. OR OTHER 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 INVESTMENT 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 ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "**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**" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE 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.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION 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 HEREIN THROUGH AND INCLUDING THE DATE ON WHICH IT DISPOSES OF THIS NOTE OR INTEREST HEREIN, 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 THIS NOTE 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, THE INVESTMENT MANAGER OR THE COLLATERAL ADMINISTRATOR 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, THE TRUSTEE, THE INVESTMENT MANAGER OR THE COLLATERAL ADMINISTRATOR, 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 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 FINAL PROSPECTUS AND RELATED MATERIALS.

THE FAILURE TO PROVIDE THE ISSUER AND ANY PAYING AGENT WITH THE APPLICABLE U.S. FEDERAL INCOME TAX CERTIFICATIONS (GENERALLY, A U.S. INTERNAL REVENUE SERVICE FORM W-9 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE OR AN APPLICABLE U.S. INTERNAL REVENUE SERVICE FORM W-8 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS NOT A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE) MAY RESULT IN U.S. FEDERAL BACK UP WITHHOLDING FROM PAYMENTS TO THE HOLDER IN RESPECT OF THIS NOTE.

EACH HOLDER AND EACH BENEFICIAL OWNER OF A RATED NOTE, BY ACCEPTANCE OF SUCH RATED NOTE, OR ITS INTEREST IN A RATED NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, SUCH RATED NOTE AS DEBT FOR U.S. FEDERAL INCOME TAX PURPOSES.

EACH HOLDER AND EACH BENEFICIAL OWNER OF A SUBORDINATED NOTE REPRESENTED BY THIS CERTIFICATE, BY ACCEPTANCE OF SUCH NOTE, OR ITS INTEREST IN SUCH NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, SUCH NOTE AS EQUITY FOR U.S. FEDERAL INCOME TAX PURPOSES.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS C NOTES AND CLASS D NOTES ONLY*] [THE NOTES WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**") FOR U.S. FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE COLLATERAL ADMINISTRATOR AT THE BANK OF NEW YORK MELLON S.A./N.V., DUBLIN BRANCH, 4TH FLOOR, HANOVER BUILDING, WINDMILL LANE, DUBLIN 2, IRELAND.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES IN THE FORM OF IM NON-VOTING NOTES OR IM EXCHANGEABLE NON-VOTING 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 AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES IN THE FORM OF IM VOTING 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 AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

8. 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.

9. 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.

10. Each holder and beneficial owner of a Rule 144A Note, by acceptance of its Rule 144A Note or its interest in a Note, shall be deemed to understand and acknowledge that failure to provide the Issuer or any Paying Agent with the applicable U.S. federal income tax certifications (generally, a U.S. Internal Revenue Service Form W 9 (or successor applicable form) in the case of a person that is a "United States person" within the meaning of section 7701(a)(30) of the Code or an appropriate U.S. Internal Revenue Service Form W 8 (or successor applicable form) in the case of a person that is not a "United States person" within the meaning of section 7701(a)(30) of the Code) may result in U.S. federal back up withholding from payments in respect of such Note.

11. With respect to the Subordinated Notes, if the purchaser is not a United States person (as defined in section 7701(a)(30) of the Code), such purchaser is not purchasing the Notes 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.

12. With respect to the Subordinated Notes, if the purchaser is not a United States person (as defined in section 7701(a)(30) of the Code), such purchaser either (x) is not a bank extending credit pursuant to a loan agreement in the ordinary course of its lending business (within the meaning of section 881(c)(3)(A) of the Code) or (y) 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.

13. The purchaser agrees to provide the Issuer any information reasonably requested and necessary (in the sole determination of the Issuer) for the Issuer (or its agent) in order to permit the Issuer to comply with sections 1471-1474 of the Code (including any voluntary agreement or intergovernmental agreement entered into with a tax authority thereunder) and any analogous non-U.S. law. It understands and acknowledges that the Issuer or an agent may provide such information and any other information concerning its investment in the Notes to the U.S. Internal Revenue Service and any other applicable non-U.S. tax authority.

14. The purchaser understands and acknowledges that the Issuer has the right, under the Trust Deed, (1) to compel any beneficial owner of an interest in the Notes that fails to comply with the requirements of clause (13) above, to sell its interest in such Notes, or may sell such interest on behalf of such owner and (2) to make any amendments to the Trust Deed to enable the Issuer to comply with FATCA (or any voluntary agreement entered into with a tax authority pursuant thereto).

15. The purchaser understands and acknowledges that the Issuer has the right, under the Conditions of the Notes, to withhold up to 30 per cent. on all payments made to any beneficial owner of an interest in the Notes that fails to comply with the requirements of clause (13) above.

16. 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.

17. The purchaser understands and acknowledges that the Issuer may receive a list of participants holding positions in the securities from one or more book-entry depositories.

18. With respect to the Subordinated Notes, each holder of such Notes will agree that such Subordinated Notes may not be offered, sold, resold, delivered or transferred other than to "professional market parties" (*professionele marktpartijen*) within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) that do not qualify as "public" (within the meaning of article 4(1) of the CRR) and the rules promulgated thereunder or any subsequent legislation replacing that regulation, and, if resident or domiciled in The Netherlands, other than to qualified investors within the meaning of the Dutch Act on Financial Supervision (*Wet op het financieel toezicht*).

Regulation S Notes

Each purchaser of Regulation S Notes will be deemed to have made the representations set forth in clauses (4), (6) and (10) to (18) (inclusive) above (except that references to Rule 144A Notes shall be deemed to be references to Regulation S Notes and references to Rule 144A Global Certificates shall be deemed to be references to Regulation S Global Certificates) 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. It agrees, for the benefit of the Issuer, the Initial Purchaser and any of their 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 (i) to a person (A) 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 (B) that constitutes a QP; or (ii) 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.

ANY LOSSES IN THE ISSUER WILL BE BORNE SOLELY BY INVESTORS IN THE ISSUER AND NOT BY THE INVESTMENT MANAGER OR ITS AFFILIATES; THEREFORE, THE INVESTMENT MANAGER'S LOSSES IN THE ISSUER WILL BE LIMITED TO LOSSES ATTRIBUTABLE TO THE "OWNERSHIP INTERESTS" (AS DEFINED IN THE VOLCKER RULE) IN THE ISSUER HELD BY THE INVESTMENT MANAGER AND ANY AFFILIATE IN ITS CAPACITY AS INVESTOR IN THE ISSUER. PROSPECTIVE INVESTORS IN THE ISSUER SHOULD READ THE FINAL PROSPECTUS BEFORE INVESTING IN THE ISSUER. THE OWNERSHIP INTERESTS IN THE COVERED FUND ARE NOT INSURED BY THE UNITED STATES FEDERAL DEPOSIT INSURANCE CORPORATION AND ARE NOT DEPOSITS, OBLIGATIONS OF, OR ENDORSED OR GUARANTEED IN ANY WAY, BY ANY BANKING ENTITY. THE ROLE OF THE INVESTMENT MANAGER AND ITS AFFILIATES AND EMPLOYEES IN SPONSORING AND PROVIDING SERVICES TO THE COVERED FUND IS DESCRIBED HEREIN.

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 UNDER 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 $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), €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, IF A VIOLATION OF (V) TO (Z) OCCURS, 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 NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT 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 BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) ("**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 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 NOTES 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 OR DISPOSITION OF SUCH NOTES (OR INTERESTS 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 NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER SUCH NOTES (OR INTERESTS THEREIN) TO AN ACQUIRER ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIRER 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 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.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND THE SUBORDINATED NOTES IN THE FORM OF REGULATION S GLOBAL CERTIFICATES ONLY*] [ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT AND WARRANT THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER AND PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), 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 THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL NON-U.S. OR OTHER 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 INVESTMENT 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 ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). OTHER THAN ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT AND WARRANT THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND, OTHER THAN WITH RESPECT TO THE RETENTION NOTES, HOLDS SUCH CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE, AS APPLICABLE, IN THE FORM OF A DEFINITIVE CERTIFICATE; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, 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 THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY SIMILAR LAW, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY 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**" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR

INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE 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.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION 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 THE SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER AND THE TRANSFER AGENTS (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON AND (3) THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") 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 THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL NON-U.S. OR OTHER 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 INVESTMENT 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 ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "**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**" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE 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. NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION 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 HEREIN THROUGH AND INCLUDING THE DATE ON WHICH IT DISPOSES OF THIS NOTE OR INTEREST HEREIN, 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 THIS NOTE 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, THE INVESTMENT MANAGER OR THE COLLATERAL ADMINISTRATOR 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, THE TRUSTEE, THE INVESTMENT MANAGER OR THE COLLATERAL ADMINISTRATOR, 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 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 FINAL PROSPECTUS AND RELATED MATERIALS.

THE FAILURE TO PROVIDE THE ISSUER AND ANY PAYING AGENT WITH THE APPLICABLE U.S. FEDERAL INCOME TAX CERTIFICATIONS (GENERALLY, A U.S. INTERNAL REVENUE SERVICE FORM W-9 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS A "**UNITED STATES PERSON**" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE OR AN APPLICABLE U.S. INTERNAL REVENUE SERVICE FORM W-8 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS NOT A "**UNITED STATES PERSON**" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE) MAY RESULT IN U.S. FEDERAL BACK UP WITHHOLDING FROM PAYMENTS TO THE HOLDER IN RESPECT OF THIS NOTE.

EACH HOLDER AND EACH BENEFICIAL OWNER OF A RATED NOTE, BY ACCEPTANCE OF SUCH RATED NOTE, OR ITS INTEREST IN A RATED NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, SUCH RATED NOTE AS DEBT FOR U.S. FEDERAL INCOME TAX PURPOSES.

EACH HOLDER AND EACH BENEFICIAL OWNER OF A SUBORDINATED NOTE REPRESENTED BY THIS CERTIFICATE, BY ACCEPTANCE OF SUCH NOTE, OR ITS INTEREST IN SUCH NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, SUCH NOTE AS EQUITY FOR U.S. FEDERAL INCOME TAX PURPOSES.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS C NOTES AND CLASS D NOTES ONLY*] [THE NOTES WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**") FOR U.S. FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE COLLATERAL ADMINISTRATOR AT THE BANK OF NEW YORK MELLON S.A./N.V., DUBLIN BRANCH, 4TH FLOOR, HANOVER BUILDING, WINDMILL LANE, DUBLIN 2, IRELAND.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES IN THE FORM OF IM NON-VOTING NOTES OR IM EXCHANGEABLE NON-VOTING 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 AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES IN THE FORM OF IM VOTING 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 AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

4. The purchaser acknowledges that the Issuer, the Initial Purchaser, the Arranger, the Retention Holder, the Trustee, the Investment Manager or the Collateral Administrator and their agents and Affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

5. The purchaser understands that the Regulation S Notes may not, at any time, be held by, or on behalf of, U.S. Persons.

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 Refinancing Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The Common Code and International Securities Identification Number ("**ISIN**") for the Refinancing Notes of each Class:

	Regulation S Notes		Rule 144 A Notes	
	ISIN	**Common Code**	**ISIN**	**Common Code**
Class A IM Voting Notes	XS1686691780	168669178	XS1686580959	168658095
Class A IM Exchangeable Non-Voting Notes	XS1686724110	168672411	XS1686722841	168672284
Class A IM Non-Voting Notes	XS1686724037	168672403	XS1686722767	168672276
Class B IM Voting Notes	XS1686693646	168669364	XS1686692911	168669291
Class B IM Exchangeable Non-Voting Notes	XS1686724383	168672438	XS1686723146	168672314
Class B IM Non-Voting Notes	XS1686724201	168672420	XS1686722924	168672292
Class C IM Voting Notes	XS1686694610	168669461	XS1686694297	168669429
Class C IM Exchangeable Non-Voting Notes	XS1686724623	168672462	XS1686723658	168672365
Class C IM Non-Voting Notes	XS1686724466	168672446	XS1686723575	168672357
Class D IM Voting Notes	XS1686695856	168669585	XS1686695260	168669526
Class D IM Exchangeable Non-Voting Notes	XS1686724979	168672497	XS1686723815	168672381
Class D IM Non-Voting Notes	XS1686724896	168672489	XS1686723732	168672373

Listing

Application has been made to the Irish Stock Exchange for the Refinancing Notes to be admitted to the Official List of the Irish Stock Exchange and to trading on its regulated 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 €6,340 (inclusive of VAT). The Class E Notes, the Class F Notes and the Subordinated Notes have been admitted to trading on the Official List on the Original Issue Date and are trading on the Main Securities Market.

The Bank of New York Mellon SA/NV, Dublin Branch is acting solely in its capacity as listing agent for the Issuer (and not on its own behalf) in connection with the application for admission of the Refinancing Notes to the Official List of the Irish Stock Exchange and trading on the Main Securities Market.

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in The Netherlands (if any) in connection with the issue and performance of the Refinancing Notes. The issue of the Refinancing Notes was authorised by resolutions of the board of Managing Directors of the Issuer passed on 06 October 2017.

No Significant or Material Change

There has been no significant change in the financial or trading position or prospects of the Issuer since its last audited financial statement and there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2015, being the date of its last audited financial statement.

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.

Documents Incorporated

The 2015 Prospectus is included herein as Annex A and is expressly incorporated herein as an integral part of this Prospectus. The information in this Prospectus should be read in conjunction with the 2015 Prospectus. The changes described herein supersede all statements which are inconsistent therewith in the 2015 Prospectus.

Unless the context otherwise specifically requires, all references in the 2015 Prospectus to a relevant Class of Notes shall be a reference to the same Class of Notes as defined herein (as the context requires) and all references in the 2015 Prospectus to the Notes shall include the Refinancing Notes (as the context requires). All references in the 2015 Prospectus to (i) the Trust Deed shall be to the Trust Deed as modified by the Amendment and Supplemental Trust Deed and (ii) the Investment Management and Collateral Administration Agreement shall be to the Amended Investment Management and Collateral Administration Agreement.

The audited financial statements of the Issuer for the period from incorporation to 31 December 2015, are incorporated into, and form part of, this Prospectus and are available at http://www.ise.ie/app/announcementDetails.aspx?ID=13360302.

Documents Available

In addition to the copies of the documents available for inspection pursuant to the 2015 Prospectus, copies of the Amendment and Supplemental Trust Deed as well as the financial statements of the Issuer for the period from incorporation to 31 December 2015, and thereafter for two immediately preceding financing years, may be inspected at the registered offices of the Issuer during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for so long as the Refinancing Notes remain listed.

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ANNEX A

2015 PROSPECTUS

IMPORTANT NOTICE

You must read the following disclaimer before continuing

THIS PROSPECTUS 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 UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**")) IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT 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 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 securities, 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) both QIBs and QPs or (b) non-U.S. Persons and that the electronic e-mail address that you gave us and to which this e-mail 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) that you consent to delivery of the document by electronic transmission and (4) you consent to accept delivery by electronic transmission of the final Prospectus on distribution and publication 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 ("**Qualified Investor**"), (b) in the United Kingdom ("**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 fall within an exemption set forth in such Order so that section 21(1) of the Financial Services and Markets Act 2000 (as amended and including the Financial Services Act 2012) 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 Jubilee CLO 2015-XV B.V., Merrill Lynch International or Alcentra Limited (or any person who controls any of them or any director, officer, employee or agent of any of them, or affiliate of any of them or of any such person) accepts any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and the hard copy version available to you on request from us.

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 on 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.

Jubilee CLO 2015-XV B.V.

(a private company with limited liability incorporated under the laws of The Netherlands, having its statutory seat in Amsterdam)

€252,750,000 Class A Senior Secured Floating Rate Notes due2028
€60,250,000 Class B Senior Secured Floating Rate Notes due 2028
€26,000,000 Class C Deferrable Mezzanine Floating Rate Notesdue 2028
€23,500,000 Class D Deferrable Mezzanine Floating Rate Notesdue 2028
€27,000,000 Class E Deferrable Junior Floating Rate Notes due2028
€15,250,000 Class F Deferrable Junior Floating Rate Notes due 2028
€46,000,000 Subordinated Notes due 2028

The assets securing the Notes will consist predominantly of a portfolio of Secured Senior Loans, Secured Senior Bonds, Unsecured Senior Obligations, Mezzanine Obligations and High Yield Bonds managed by Alcentra Limited (the "**Investment Manager**").

Jubilee CLO 2015-XV B.V. (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 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 Subordinated Notes are collectively referred to herein as the "**Notes**". The Notes will be issued and secured pursuant to a trust deed as amended, supplemented and/or restated from time to time (the "**Trust Deed**") dated on or about 4 June 2015 (the "**Issue Date**"), made between (amongst others) the Issuer and Law Debenture Trust Company of New York, in its capacity as trustee (the "**Trustee**"). The Notes will initially be offered at the prices specified herein or such other prices as may be negotiated at the time of sale.

Interest on the Notes will be payable quarterly in arrear on 12 January, 12 April, 12 July and 12 October prior to the occurrence of a Frequency Switch Event (as defined herein) and semi-annually in arrear on 12 January and 12 April (where the Payment Date (as defined herein) immediately following the occurrence of a Frequency Switch Event falls in either January or April) or 12 July and 12 October (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either July or October) following the occurrence of a Frequency Switch Event (or, in each case, 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 12 January 2016 and ending on the Maturity Date (as defined below) in accordance with the Priorities of Payments 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*).

SEE THE SECTION ENTITLED "***RISK FACTORS***" HEREIN FOR A DISCUSSION OF CERTAIN FACTORS TO BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE NOTES.

This Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under EU Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market. It is anticipated that listing will take place on or about the Issue Date. There can be no assurance that such listing will be granted. Upon approval of the Prospectus by the Central Bank, the Prospectus will be filed with the Irish Companies Registration Office.

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 that there is a shortfall in such proceeds, the Issuer will not be obliged to pay, and the other assets (including the Issuer Dutch Account and the rights of the Issuer under the Issuer Management 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*).

THE NOTES HAVE NOT BEEN AND WILL NOT BE 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 ("**REGULATIONS**")); 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 REQUIRED TO OR DEEMED TO HAVE MADE CERTAIN ACKNOWLEDGEMENTS, REPRESENTATIONS AND AGREEMENTS. SEE "PLAN OF DISTRIBUTION" AND "TRANSFER RESTRICTIONS".

The Notes will be offered by the Issuer through Merrill Lynch International 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. The Initial Purchaser may offer the Notes at prices as may be negotiated at the time of sale which may vary among different purchasers.

BofA Merrill Lynch
Sole Arranger and Initial Purchaser

The date of this Prospectus is 2 June 2015

*The Issuer accepts responsibility for the information contained in this document 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 Investment 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 Investment Manager and its Affiliates**" and "**The Investment Manager**". To the best of the knowledge and belief of the Investment 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 Bank of New York Mellon acting through its London Branch in its capacity as Calculation Agent, Principal Paying Agent, Account Bank, Custodian and Information Agent accepts responsibility for the information contained in the sections of this document headed "**The Calculation Agent, Principal Paying Agent, Account Bank, Custodian and Information Agent**". To the best of the knowledge and belief of The Bank of New York Mellon acting through its London Branch in its capacity as Calculation Agent, Principal Paying Agent, Account Bank, Custodian and Information Agent (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 Bank of New York Mellon S.A./N.V. acting through its Dublin Branch in its capacity as Collateral Administrator accepts responsibility for the information contained in the section of this document headed "**The Collateral Administrator**". To the best of the knowledge and belief of The Bank of New York Mellon S.A./N.V. acting through its Dublin Branch in its capacity as 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 Investment Manager in its capacity as the Retention Holder accepts responsibility for the information contained in the section of this document headed "**The Retention Holder and Retention Requirements**". To the best of the knowledge and belief of the Investment Manager in its capacity as 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 Investment Manager and its Affiliates**" and "**The Investment Manager**" in the case of the Investment Manager, "**The Calculation Agent, Principal Paying Agent, Account Bank, Custodian and Information Agent**" and "**The Collateral Administrator**" in the case of The Bank of New York Mellon and "**The Retention Holder and Retention Requirements**" in the case of the Investment Manager in its capacity as the Retention Holder, none of the Investment Manager, the Collateral Administrator, the Agents, the Retention Holder, the Initial Purchaser or its Affiliates accept any responsibility for the accuracy and completeness of any information contained in this Prospectus. The delivery of this Prospectus at any time does not imply that the information herein is correct at any time subsequent to the date of this Prospectus.*

*None of the Initial Purchaser nor any of its Affiliates, the Arranger, the Trustee, the Investment Manager (save in respect of the sections headed "**Risk Factors - Certain Conflicts of Interest - Certain Conflicts of Interest Involving the Investment Manager and its Affiliates**" and "**The Investment Manager**"), the Collateral Administrator (save in respect of the section headed "**The Collateral Administrator**"), any Agent (save in respect of the section headed "**The Calculation Agent, Principal Paying Agent, Account Bank, Custodian, and Information Agent**"), any Hedge Counterparty, the Investment Manager in its capacity as the Retention Holder (save in respect of the section headed "**The Retention Holder and Retention Requirements**") or any other party has separately verified the information contained in this Prospectus and, accordingly, none of the Initial Purchaser nor any of its Affiliates, the Arranger, the Trustee, the Investment Manager (save as specified above), the Collateral Administrator (save as specified above), any Agent (save as specified above), any Hedge Counterparty, the Investment Manager in its capacity as the Retention Holder (save as specified above) 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 Prospectus 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 nor any of its Affiliates, the Arranger, the Trustee, the Investment Manager, the Collateral Administrator, any Agent, any Hedge Counterparty, the Investment Manager in its capacity as 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 Prospectus 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 Prospectus. None of the Initial Purchaser nor any of its Affiliates, the Arranger, the Trustee, the Investment Manager (save as specified above), the Collateral Administrator (save as specified above), any Agent (save as specified above), any Hedge Counterparty, the Investment Manager in its capacity as 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 Prospectus.

*This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Initial Purchaser or any of its Affiliates, the Arranger, the Investment Manager, the Collateral Administrator or any other person to subscribe for or purchase any of the Notes. The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Initial Purchaser to inform themselves about and to observe any such restrictions. In particular, the communication constituted by this Prospectus is directed only at persons who (i) are outside the United Kingdom and are offered and accept this Prospectus 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 Prospectus, 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 Prospectus 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 Arranger, the Trustee, the Investment Manager or the Collateral Administrator. The delivery of this Prospectus at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

*In this Prospectus, 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), all references to "**Sterling**" and "**£**" shall mean the lawful currency of the United Kingdom and any references to "**U.S. Dollar**", "**U.S. dollar**", "**USD**" or "**$**" shall mean the lawful currency of the United States of America.*

In connection with the issue of the Notes, no stabilisation will take place and neither Merrill Lynch International nor any Affiliate thereof will be acting as stabilising manager in respect of the Notes.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES (THE "**RSA**") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Notice to Korean Investors

The Subordinated Notes may be characterised as 'debt securities' as defined under Article 4(3) of the Financial Investment Services and Capital Markets Act of Korea (the "**FSCMA**") or as any security listed under Article 4(2) of the FSCMA. No communication (whether written or oral) with the Issuer or its Affiliates, representatives, agents or counsel (including the usage of the terms or expressions of 'note', 'security', 'bond' or 'instrument') shall be deemed to be an assurance or guarantee that the Subordinated Notes will be characterised as debt securities under Korean laws and regulations and the generally accepted accounting principles in Korea ("**KGAAP**"). Each resident of Korea who purchases any Subordinated Notes shall be considered to be capable of assessing or analysing the legal nature or characterisation of the Subordinated Notes under Korean laws and regulations and KGAAP (based upon its own judgment and upon advice from such advisers as it has deemed necessary) and understanding the consequences and risks from the re-characterisation of the Subordinated Notes.

Retention Requirements

Investors are directed to the further descriptions of the Retention Requirements in "*Risk Factors - Risk Retention in Europe*" and "*The Retention Holder and Retention Requirements*" below.

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 (including the Reports) are sufficient to comply with the Retention Requirements or any other applicable legal, regulatory or other requirements. None of the Issuer, the Investment Manager, the Initial Purchaser, the Arranger, the Collateral Administrator, the Trustee, the Retention Holder, their respective Affiliates, corporate officers or professional advisors 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 Retention Requirements or any other applicable legal, regulatory or other requirements other than, in the case of the Investment Manager, where such failure results from a breach of the Risk Retention Letter (as defined in the terms and conditions of the Notes) by the Investment Manager or any of its Affiliates. Each prospective investor in the Notes which is subject to the Retention Requirements or is an Affected Investor (as defined in "*Risk Factors - Risk Retention in Europe*" (below)) should consult with its own legal, accounting, regulatory and other advisors 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.

The Monthly Reports will include a statement as to the receipt by the Issuer and the Trustee of a confirmation from the Retention Holder as to the holding of the Retention Notes, which confirmation the Retention Holder will undertake in the Risk Retention Letter to provide to the Issuer and the Trustee on a monthly basis.

Information as to placement within the United States

The Notes of each Class offered pursuant to an exemption from registration under Rule 144A under the Securities Act ("**Rule 144A**") (the "**Rule 144A Notes**") will be sold only to "qualified institutional buyers" (as defined in Rule 144A) ("**QIBs**") that are also "qualified purchasers" for 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**") or in some cases definitive certificates (each a "**Rule 144A Definitive Certificate**" and together the "**Rule 144A Definitive 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 or in the case of Rule 144A Definitive Certificates, the registered holder thereof. 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 (the "**Regulation S Notes**") 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**"), or in some cases by definitive certificates of such Class (each a "**Regulation S Definitive Certificate**" and together, the "**Regulation S Definitive 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 SA/NV, as operator of the Euroclear system ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or, in the case of Regulation S Definitive Certificates, the registered holder thereof. 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 a Regulation S Global Certificate or a Regulation S Definitive Certificate. 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. 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.

The Issuer has not been registered under the Investment Company Act in reliance on both Section 3(c)(7) of the Investment Company Act and Rule 3a-7 of the Investment Company Act, provided that the Issuer has the right by notice to the Trustee to elect (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act and to no longer rely on the exemption from the Investment Company Act provided by Rule 3a-7. 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 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 and may be resold, pledged or otherwise transferred only (1) to the Issuer (upon redemption thereof or otherwise), (2) 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 SECURITIES 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 Prospectus has been prepared by the Issuer solely for use in connection with the offering of the Notes described herein (the "**Offering**") and for the listing of the Notes of each Class on the Official List of the Irish Stock Exchange. 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 Prospectus is personal to each offeree to whom it has been delivered by the Issuer and 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 Prospectus 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, is prohibited. Any reproduction or distribution of this Prospectus 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.

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, nor exempt from reporting pursuant to Rule 12g3-2(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 PROSPECTUS 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 ARRANGER, THE INVESTMENT MANAGER, 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 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.

Commodity Pool Regulation

IF TRADING OR ENTERING INTO HEDGE AGREEMENTS WOULD RESULT IN THE ISSUER'S ACTIVITIES FALLING WITHIN THE DEFINITION OF A "COMMODITY POOL" UNDER THE COMMODITY EXCHANGE ACT, THE INVESTMENT MANAGER WOULD EXPECT TO BE EXEMPT FROM REGISTRATION WITH THE COMMODITY FUTURES TRADING COMMISSION (THE "**CFTC**") AS A COMMODITY POOL OPERATOR (A "**CPO**") PURSUANT TO CFTC RULE 4.13(a)(3). THEREFORE, UNLIKE A REGISTERED CPO, THE INVESTMENT 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 THE REQUIREMENTS OF CFTC RULES APPLICABLE TO REGISTERED CPOs. FURTHER, THE TRADING OR ENTERING INTO SUCH HEDGE AGREEMENT MUST NOT ELIMINATE THE ISSUER'S ABILITY TO RELY ON RULE 3A-7 UNDER THE INVESTMENT COMPANY ACT, UNLESS AND UNTIL THE ISSUER ELECTS (WHICH ELECTION MAY BE MADE ONLY UPON CONFIRMATION FROM THE INVESTMENT MANAGER THAT IT HAS OBTAINED LEGAL ADVICE FROM REPUTABLE INTERNATIONAL LEGAL COUNSEL KNOWLEDGEABLE IN SUCH MATTERS TO THE EFFECT THAT TO DO SO WOULD NOT RESULT IN THE ISSUER BEING CONSTRUED AS A "COVERED FUND" IN RELATION TO ANY HOLDER OF OUTSTANDING NOTES FOR THE PURPOSES OF THE VOLCKER RULE) TO RELY SOLELY ON THE EXEMPTION UNDER SECTION 3(C)(7) UNDER THE INVESTMENT COMPANY ACT.

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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 prospectus (this "**Prospectus**") 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 Prospectus. An index of defined terms appears at the back of this Prospectus. 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	Jubilee CLO 2015-XV B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands.
Investment Manager	Alcentra Limited.
Trustee	Law Debenture Trust Company of New York.
Initial Purchaser and Arranger	Merrill Lynch International.
Collateral Administrator	The Bank of New York Mellon S.A./N.V., Dublin Branch, acting through its office at 4th Floor Hanover Building, Windmill Lane, Dublin 2, Ireland.
Information Agent	The Bank of New York Mellon, acting though its London office at One Canada Square, London, E14 5AL.
Custodian, Account Bank and Principal Paying Agent	The Bank of New York Mellon, acting though its London office at One Canada Square, London, E14 5AL.
Transfer Agent and Registrar	The Bank of New York Mellon (Luxembourg) S.A.

Notes

Class of Notes	Principal Amount	Initial Stated Interest Rate[1]	Alternative Stated Interest Rate[2]	S&P Ratings of at least[4]	Moody's Ratings of at least[4]	Maturity Date	Issue Price[5]
A	€252,750,000	3 month EURIBOR + 1.30% per annum	6 month EURIBOR + 1.30% per annum	AAA(sf)	Aaa(sf)	2028	100%
B	€60,250,000	3 month EURIBOR + 2.00% per annum	6 month EURIBOR + 2.00% per annum	AA(sf)	Aa2(sf)	2028	100%
C	€26,000,000	3 month EURIBOR + 2.90% per annum	6 month EURIBOR + 2.90% per annum	A(sf)	A2(sf)	2028	99.33%

Class of Notes	Principal Amount	Initial Stated Interest Rate[1]	Alternative Stated Interest Rate[2]	S&P Ratings of at least[4]	Moody's Ratings of at least[4]	Maturity Date	Issue Price[5]
D	€23,500,000	3 month EURIBOR + 3.65% per annum	6 month EURIBOR + 3.65% per annum	BBB(sf)	Baa2(sf)	2028	99.31%
E	€27,000,000	6 month EURIBOR + 4.95% per annum	6 month EURIBOR + 4.95% per annum	BB(sf)	Ba2(sf)	2028	96.22%
F	€15,250,000	3 month EURIBOR + 5.98% per annum	6 month EURIBOR + 5.98% per annum	B-(sf)	B2(sf)	2028	91.42%
Subordinated Notes	€46,000,000	Residual[3]	Residual[3]	Not Rated	Not Rated	2028	100%

1 Applicable at all times prior to the occurrence of a Frequency Switch Event, provided that the rate of interest of the Notes of each Class for the first interest period will be determined by reference to a straight line interpolation of six month EURIBOR and nine month EURIBOR.

2 Applicable at all times following the occurrence of a Frequency Switch Event, provided that the rate of interest of the Notes of each Class for the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date will, if such first mentioned Payment Date falls on 12 April 2028, be determined by reference to three month EURIBOR.

3 Payment of interest on the Subordinated Notes will be made on an available funds basis in accordance with the Priorities of Payment. The Applicable Margin or spread over EURIBOR, in the case of the Rated Notes, may be reduced pursuant to a refinancing in accordance with Condition 7(b)(ii) (*Optional Redemption in Part - Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Investment Manager*).

4 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. As of the date of this Prospectus, each of the Rating Agencies is established in the European Union and is registered under Regulation (EC) No 1060/2009 (as amended) ("**CRA3**"). As such, each Rating Agency is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with CRA3. The ratings assigned to the Class A Notes and the Class B Notes by S&P address the timely payment of interest and the ultimate payment of principal. The ratings assigned 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 to the Notes by Moody's address the expected loss posed to investors by the legal final maturity on the Maturity Date.

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

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	12 January, 12 April, 12 July and 12 October prior to the occurrence of a Frequency Switch Event and on 12 January and 12 April (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either January or April) or on 12 July and 12 October (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either July or October), following the occurrence of a Frequency Switch Event, in each year commencing on 12 January 2016 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).
Interest	Interest in respect of the Notes of each Class will be payable quarterly in arrear prior to the occurrence of a Frequency Switch Event and semi-annually in arrear following the occurrence of a Frequency Switch Event, in each case on each Payment Date (with the first Payment Date occurring on 12 January 2016) 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 the Class A Notes or the Class B Notes in accordance with the Priorities of Payment shall not constitute an Event of Default unless and until such failure continues for a period of five consecutive Business Days provided, in the case of a failure to disperse due to an administrative error or omission by the Investment Manager, the Collateral Administrator or any Paying Agent, such failure continues for a period of at least seven consecutive Business Days and save 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, Class D Notes, Class E Notes or 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 of the Class C Notes, Class D Notes, Class E Notes and Class F Notes (as applicable), and from the date such unpaid interest is added to the applicable 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 interest amounts due and payable on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes as a result of the insufficiency of available Interest Proceeds or, with respect to the Subordinated Notes, 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) in whole (with respect to all Classes of Rated Notes) but not in part on any Business Day following the expiry of the Non-Call Period from Sale Proceeds or (solely in the case of a redemption at the direction of the Subordinated Noteholders in accordance with (i) below) Refinancing Proceeds (or any

combination thereof) either:

(i) if directed in writing by the Subordinated Noteholders (acting by way of an Ordinary Resolution); or

(ii) save in the case of a Retention Event which is continuing, if directed in writing by the Retention Holder if certain conditions are satisfied (see Condition 7(b)(i)(A) (*Optional Redemption in Whole - Subordinated Noteholders or Retention Holder*));

(c) on any Payment Date in whole (with respect to all Classes of Rated Notes) at the option of the Subordinated Noteholders acting by way of Ordinary Resolution upon the occurrence of a Collateral Tax Event (see Condition 7(b)(i)(B) (*Optional Redemption in Whole - Subordinated Noteholders or Retention Holder*));

(d) in part by the redemption in whole of one or more Classes of Rated Notes from Refinancing Proceeds on any Payment Date following the expiry of the Non-Call Period if directed in writing by the 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 subject to certain conditions (see Condition 7(b)(ii) (*Optional Redemption in Part - Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Investment Manager*));

(e) in whole (with respect to all Classes of Rated Notes) but not in part from Sale Proceeds on any Payment Date following the 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 Investment Manager (see Condition 7(b)(iii) (*Optional Redemption in Whole - Investment Manager Clean-up Call*));

(f) the Subordinated Notes may be redeemed in whole or in part in aggregate at their Redemption Price, on any day or days following the redemption in full of all Classes of Rated Notes at the direction of either:

(i) the Subordinated Noteholders acting by way of Ordinary Resolution; or

(ii) the Investment Manager (see Condition 7(b)(xi) (*Optional Redemption of Subordinated Notes*));

(g) 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*));

(h) on any Payment Date during the Reinvestment Period at the discretion of the Investment Manager (acting on behalf of the Issuer) following written certification by the Investment Manager to the Trustee that, using reasonable endeavours, it has been unable, for a period of twenty consecutive Business

Days, to identify a sufficient quantity of additional Collateral Debt Obligations or Substitute Collateral Debt Obligations in which to invest or reinvest Principal Proceeds (see Condition 7(d) (*Special Redemption*));

(i) 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, 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 an Effective Date Rating Event is no longer continuing (see Condition 7(e) (*Redemption Upon Effective Date Rating Event*));

(j) following expiry of 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*));

(k) on any Payment Date in whole (with respect to all Classes of Rated Notes) at the option of the Controlling Class or the Subordinated Noteholders in each case acting by way of Extraordinary Resolution, following the occurrence of a Note Tax Event, subject to:

(i) the Issuer having failed to change the territory in which it is resident for tax purposes; 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 has not been cured and following acceleration in accordance with Condition 10(b) (*Acceleration*) (See Condition 10 (*Events of Default*)).

Non-Call Period

During the period from and including the Issue Date up to, but excluding, the Payment Date falling on 12 July 2017 (the "**Non-Call Period**"), the Notes are not subject to Optional Redemption (save for upon a Collateral Tax Event, a Note Tax Event or a Special Redemption). See Condition 7(b) (*Optional Redemption*), Condition 7(d) (*Special Redemption*) and Condition 7(g) (*Redemption following Note Tax Event*).

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 Subordinated Note will be its *pro-rata* share (calculated in accordance with the Priorities of Payments) 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.

Priorities of Payment

Prior to the delivery of an Acceleration Notice in accordance with Condition 10(b) (*Acceleration*) or following an acceleration of the Notes 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 but not in part pursuant to Condition 7(b) (*Optional Redemption*) or in connection with a redemption in whole but not in part 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 but not in part 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 an acceleration of the Notes 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 and the net proceeds of enforcement of the security over the Collateral (save in respect of and for the avoidance of doubt excluding (1) any Counterparty Downgrade Collateral which is required to be paid or returned to the relevant Hedge Counterparty outside the Priorities of Payment in accordance with the relevant Hedge Agreement and (2) any Swap Tax Credits which in each case are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payment) will be applied in accordance with the Post-Acceleration Priority of Payments, in each case as described in the Conditions of the Notes.

Investment Management Fees

Senior Investment Management Fee

0.15 per cent. per annum of the Aggregate Collateral Balance (exclusive of any value added tax) 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. See "*Description of the Investment Management and Collateral Administration Agreement - Fees*".

Subordinated Investment Management Fee

0.35 per cent. per annum of the Aggregate Collateral Balance (exclusive of any value added tax) 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 See "*Description of the Investment Management and Collateral Administration Agreement - Fees*".

Junior Investment Management Fee

0.10 per cent. per annum of the Aggregate Collateral Balance (exclusive of any value added tax) (accruing from the Issue Date, for the avoidance of doubt, on a simple and not a compounding basis) provided that such amount shall not become payable until the Junior Investment Management Fee IRR Threshold of 12 per cent. has been met or surpassed. The Junior Investment Management Fee shall be paid from up to 20 per cent. of any Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the relevant Priorities of Payment. See "*Description of the Investment Management and Collateral Administration 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 taking security over a portfolio of Collateral Debt Obligations predominantly consisting of Secured Senior Loans, Secured Senior Bonds, Mezzanine Obligations, Unsecured Senior Obligations 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 Issuer Dutch Account and the Issuer Management Agreement. See Condition 4 (*Security*).

Hedge Arrangements

The Issuer will not be permitted to enter into a Hedge Agreement to hedge interest rate risk and/or currency risk around or after the Issue Date:

(a) unless either:

(i) such Hedge Agreement complies with the Hedge Agreement Eligibility Criteria; or

(ii) the Issuer obtains legal advice from reputable international legal counsel knowledgeable in such matters to the effect that the entry into such arrangements shall not require any of the Issuer, its directors or officers or the Investment Manager or its Affiliates to register with the United States Commodities Futures Trading Commission (the "**CFTC**") and/or the United States National Futures Association as a commodity pool operator or a commodity trading advisor pursuant to the United States Commodity Exchange Act of 1936, as amended (a "**Commodity Pool**"); and

(b) unless and until the Issuer elects (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act, either:

(i) such Hedge Agreement complies with the Trading Requirements and the Hedge Agreement Eligibility Criteria; or

(ii) the Issuer obtains legal advice from reputable international legal counsel knowledgeable in such matters that the acquisition of or entry into such Hedge Agreement will not eliminate the Issuer's ability to rely on Rule 3a-7 under the Investment Company Act (the "**Hedging Condition**").

The Issuer will obtain Rating Agency Confirmation prior to entering into any hedging arrangements after the Issue Date unless it is in a form which the Issuer (or the Investment Manager acting on behalf of the Issuer) has previously received Rating Agency Confirmation in respect

	thereof. See "*Hedging Arrangements*".
Non-Euro Obligations and Asset Swap Transactions	Subject to the Eligibility Criteria, the Issuer may purchase Collateral Debt Obligations that are denominated in a currency other than Euro (each, a "**Non-Euro Obligation**") provided that, subject to the satisfaction of the Hedging Condition, an Asset Swap Transaction is entered into in respect of each such Non-Euro Obligation with one or more Asset Swap Counterparties satisfying the applicable Rating Requirement under which the currency risk is reduced or eliminated, no later than the settlement date of the acquisition of the relevant Collateral Debt Obligation. Under each Asset Swap Transaction, the currency risk arising from the receipt of certain cash flows from the relevant Non-Euro Obligation, including interest and principal payments thereon, are hedged. The Asset Swap Transaction shall terminate on the maturity date of the Non-Euro Obligation and in the other circumstances specified therein. See "*The Portfolio – Management of the Portfolio - Non-Euro Obligations"* and *"Hedging Arrangements*".
Interest Rate Hedging	The Issuer (or the Investment Manager on its behalf) may enter into Interest Rate Hedge Transactions from time to time in order to hedge any interest rate mismatch between the Notes (other than the Subordinated Notes) and the Collateral Debt Obligations and for no other purpose, subject to the receipt of Rating Agency Confirmation in respect thereof and the other requirements specified in "*Hedging Arrangements*".
Investment Manager	Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager is required to act as the Issuer's investment 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 herein. Pursuant to the Investment Management and Collateral Administration Agreement, the Issuer delegates authority to the Investment 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 Investment Management and Collateral Administration Agreement*" and "*The Portfolio*".
Purchase of Collateral Debt Obligations	
As of the Issue Date	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 equals approximately €285,000,000 (representing approximately 65 per cent. of the Target Par Amount).
Target Par Amount	It is intended that the Aggregate Principal Balance of the Collateral Debt Obligations in the Portfolio on the Effective Date will be €437,775,000.
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 Investment Manager, subject to the Effective Date Determination

Requirements having been satisfied; and

(b) 4 December 2015 (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 Investment Manager (on behalf of 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 Priorities of Payment and Principal Proceeds available from time to time, the Investment Manager shall, on behalf of the Issuer, use reasonable endeavours to purchase Substitute Collateral Debt Obligations meeting the Eligibility Criteria, the Trading Requirements (so long as they are applicable) and the Reinvestment Criteria during the Reinvestment Period.

Following expiry of the Reinvestment Period, only Sale Proceeds from the sale of Credit Improved Obligations, Credit Impaired Obligations and Unscheduled Principal Proceeds received after the Reinvestment Period may be reinvested by the Issuer or the Investment Manager, on behalf of the Issuer, in Substitute Collateral Debt Obligations meeting the Eligibility Criteria, the Trading Requirements (so long as they are applicable) and the 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 Investment 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 and the Trading Requirements (so long as they are applicable) as at the applicable Restructuring Date.

Collateral Quality Tests

The Collateral Quality Tests will comprise the following:

For so long as any of the Notes are rated by S&P:

(a) the S&P CDO Monitor Test; and

(b) the S&P Minimum Weighted Average Recovery Rate Test.

For so long as any of the Notes are rated by Moody's:

(a) the Moody's Minimum Diversity Test;

(b) the Moody's Maximum Weighted Average Rating Factor Test; and

(c) the Moody's Minimum Weighted Average Recovery Rate

Test.

For so long as any of the Rated Notes are Outstanding:

(a) the Minimum Weighted Average Spread Test;

(b) the Minimum Weighted Average Fixed Coupon Test; and

(c) the Maximum Weighted Average Life Test.

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 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
Secured Senior Loans or Secured Senior Bonds in aggregate (which shall include the Balance of the Principal Account and the Unused Proceeds Account)	90%	N/A
Secured Senior Loans in aggregate (which shall include the Balance of the Principal Account and the Unused Proceeds Account)	60%	N/A
Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and/or High Yield Bonds in aggregate	N/A	10%
Secured Senior Loans and Secured Senior Bonds to a single Obligor*	N/A	2.5% provided that up to 5 Obligors may represent up to 3% each
Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds to a single Obligor*	N/A	1.5%
Participations	N/A	5%
S&P CCC Obligations	N/A	7.5%
Moody's Caa Obligations	N/A	7.5%
Fixed Rate Collateral Debt Obligations	N/A	10%
Current Pay Obligations	N/A	2.5%
Unfunded Amounts/Funded Amounts under Revolving Obligations/ Delayed Drawdown Collateral Debt Obligations	N/A	5%
Corporate Rescue Loans	N/A	5% provided that not more than 2% shall consist of Corporate Rescue Loans from a single Obligor
PIK Securities	N/A	5% provided that such PIK Securities are

		Restructured Obligations
Cov-Lite Loans	N/A	20%
Loans originated by the Investment Manager	N/A	20%, provided that (i) loans that are syndicated to an initial lender group of greater than five and (ii) senior tranches of loans not originated by the Investment Manager where mezzanine tranches of the senior loans were originated by the Investment Manager, shall in either case not be counted as originated by the Investment Manager
Domicile of Obligors	N/A	10% Domiciled in country rated below "A-" by S&P
Domicile of Obligors	N/A	10% Domiciled in countries with a Moody's local currency risk ceiling below "Aa3" by Moody's, provided that the Aggregate Principal Balance of Collateral Debt Obligations of Obligors Domiciled in countries or jurisdictions with a local currency country risk ceiling rated below "A3" by Moody's shall not be greater than 5% of the Aggregate Collateral Balance and provided further that the Aggregate Principal Balance of Collateral Debt Obligations of Obligors Domiciled in countries or jurisdictions with a local currency country risk ceiling rated below "Baa3" by Moody's shall not be greater than 0% of the Aggregate Collateral Balance
Maximum S&P Industry Classification	N/A	12% of the Aggregate Collateral Balance provided any four S&P Industry Classifications may comprise up to 15% and any one S&P Industry Classification may comprise up to 17.5% of the Aggregate Collateral Balance
Bivariate Risk Table	N/A	See limits set out in "*The Portfolio - Bivariate Risk Table*"
Moody's Rating derived from S&P Rating	N/A	10%
S&P Rating derived from Moody's Rating	N/A	10%
Non-Euro Obligations	N/A	30%
Annual Obligations	N/A	5%
Obligations issued by Obligors in respect of which the total potential indebtedness of the relevant Obligor thereof under all underlying instruments governing such Obligor's indebtedness has an aggregate principal amount (whether drawn or undrawn) of equal to or greater than EUR 75,000,000 but less than EUR 150,000,000 (or its equivalent in any currency)	N/A	7.5%

Obligations issued by Obligors in respect of which the total potential indebtedness of the relevant Obligor thereof under all underlying instruments governing such Obligor's indebtedness has an aggregate principal amount (whether drawn or undrawn) of equal to or less than EUR 200,000,000 (or its equivalent in any currency)	N/A	12.5%

*For the avoidance of doubt, the Aggregate Principal Balance which is attributable to a single Obligor shall not exceed 2.5 per cent. of the Aggregate Collateral Balance and provided further that the Aggregate Principal Balance of up to five Obligors may each represent up to 3 per cent. of the Aggregate Collateral Balance.

Obligations which are to constitute Collateral Debt Obligations in respect of which the Issuer or the Investment 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 and Collateral Quality Tests at any time as if such purchase had been completed. 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 Collateral Quality Tests and Portfolio Profile Tests at any time as if such sale had been completed.

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.

Class	Required Par Value Ratio
A/B	130.36%
C	122.14%
D	114.77%
E	107.39%
F	104.16%

Class	Required Interest Coverage Ratio
A/B	120.00%
C	110.00%
D	105.00%
E	102.00%

Reinvestment Overcollateralisation Test

During the Reinvestment Period only, if the Class F Par Value Ratio is less than 104.66 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 (W) 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 paragraphs (A) to (V) (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 (W) of the Interest Proceeds Priority of Payments, such amounts to be applied during the Reinvestment Period to purchase additional Collateral Debt Obligations.
Authorised Denominations	The Regulation S Notes of each Class will be issued in minimum denominations of €100,000 each and integral multiples of €1,000 in excess thereof. The Rule 144A Notes of each Class will be issued in minimum denominations of €250,000 each and integral multiples of €1,000 in excess thereof.
Form, Registration and Transfer of the Notes	The Regulation S Notes of each Class 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 SA/NV ("**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 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 a QIB/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 initial investor (other than the Initial Purchaser) in: (i) any Class E Notes, Class F Notes or Subordinated Notes in the form of Rule 144A Notes; (ii) any Subordinated Notes in the form of Regulation S Notes; or (iii) any Class E Notes or Class F Notes in the form of Regulation S Notes represented by a Regulation S Definitive Certificate, purchased on the Issue Date, will be required to enter into a subscription agreement (and, in the case of the Investment Manager, a note purchase agreement) with the Initial Purchaser in which such investor will certify as to, among other things, its status under the Securities Act, the Investment Company Act and ERISA. Each initial investor and each transferee of a Class E Note, Class F Note or a Subordinated Note (or any interest therein) (other than the Retention Holder in respect of the Retention Notes, provided it has given an ERISA Certificate (substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer or as otherwise permitted in writing by the Issuer with respect to interests in Class E Notes, Class F Notes or Subordinated Notes acquired in the initial offering) shall be deemed to represent (among other things) that it is not a Controlling Person, a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor. However, an investor that is a Controlling Person, a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor may acquire such Class E Note, Class F Note or Subordinated Note (or any interest therein) in Definitive Certificate form if such transferee: (i) receives the written consent of the Issuer; and (ii) provides an ERISA certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person (substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) and, in each case, the Retention Holder, provided it has given an ERISA Certificate (substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) may hold Class E Notes, Class F Notes or Subordinated Notes which are Retention Notes in the form of Definitive Certificates, Regulation S Global Certificates or Rule 144A Global Certificates, regardless of whether it is a Controlling Person or a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor for the purposes of ERISA. Each purchaser and transferee understands and agrees that no transfer of an interest in Class E Notes, Class F Notes or Subordinated Notes will be permitted or recognised if it would cause the 25 per cent. Limitation to be exceeded with respect to the Class E Notes, Class F Notes or the Subordinated Notes (determined separately by Class).

If a holder of Class E Notes, Class F Notes or 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: (i) 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 (ii) a certificate in the form of part G (*Form of Definitive Certificate to Regulation S Global Certificate Transfer Certificate of Class E Notes, Class F Notes or Subordinated Notes*) 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 Prospectus relating to such Notes under the heading "*Transfer Restrictions*". If a holder of Class E Notes, Class F Notes or 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 Rule 144A Global Certificate, such holder may effect such transfer only upon receipt by the Registrar of: (i) 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 (ii) a certificate in the form of part F (*Form of Definitive Certificate to Rule 144A Global Certificate Transfer Certificate of Class E Notes, Class F Notes or Subordinated Notes*) 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 Prospectus relating to such Notes under the heading "*Transfer Restrictions*". 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*).
IM Voting Notes, IM Exchangeable Non-Voting Notes and IM Non-Voting Notes	The Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, may, in each case, be in the form of IM Voting Notes, IM Non-Voting Notes or IM Exchangeable Non-Voting Notes. IM Voting 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 IM Replacement Resolutions and any IM Removal

	Resolutions. IM Non-Voting Notes and IM Exchangeable 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 IM Removal Resolution or any IM Replacement Resolution but shall carry a right to vote on and be counted in respect of all other matters in respect of which the IM Voting Notes have a right to vote and be counted. IM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into IM Exchangeable Non-Voting Notes or IM Non-Voting Notes. IM Exchangeable Non-Voting Notes shall be exchangeable upon request by the relevant Noteholder into: (i) IM Non-Voting Notes at any time; or (ii) IM 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. IM Non-Voting Notes shall not be exchangeable at any time into IM Voting Notes or IM Exchangeable Non-Voting Notes.
Governing Law	The Notes, the Trust Deed, the Investment Management and Collateral Administration Agreement, the Agency Agreement and all other Transaction Documents (save for the Issuer Management Agreement and the Letter of Undertaking (which are governed by the laws of The Netherlands) and the Euroclear Security Agreement (which is governed by the laws of Belgium)) will be governed by English law.
Listing	The Prospectus has been approved by the Central Bank, as competent authority under the Prospectus Directive. The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the official list (the "**Official List**") of The Irish Stock Exchange plc (the "**Irish Stock Exchange**") and trading on its regulated market. See "General Information".
Tax Status	See "*Tax Considerations*".
Certain ERISA Considerations	See "*Certain ERISA Considerations*".
Withholding Tax	No gross up of any payments to the Noteholders is required of the Issuer. See Condition 9 (*Taxation*).
Forced sale and withholding pursuant to FATCA	Under provisions commonly referred to as "FATCA", the Issuer (or an Intermediary) may require each Noteholder to provide certifications and identifying information about itself and certain of its owners. The Issuer (or an Intermediary) may force the sale of a Noteholder's Notes in order to comply with FATCA, including Notes held by a Noteholder that fails to provide the required information (and such sale could be for less than its then fair market value). In addition, the failure to provide such information, or the failure of certain non-U.S. financial institutions to comply with FATCA, may compel the Issuer (or an Intermediary) to withhold on payments to such Noteholders (and the Issuer will not pay any additional amounts with respect to such withholding). See Condition 2(i) (*Forced sale pursuant to FATCA*).
Additional Issuances	Subject to certain conditions being met, additional Notes of all existing Classes may be issued and sold. See Condition 17

	(*Additional Issuances*). Noteholders should be aware that additional Notes that are treated for non-tax purposes as a single series with the original Notes may be treated as a separate series for U.S. federal income tax purposes. In such case, the new Notes may be considered to have been issued with original issue discount, which may affect the market value of the original Notes since such additional Notes may not be distinguishable from the original Notes.
Retention Holder and Retention	The Retention Notes will be subscribed for by the Investment Manager on the Issue Date and, pursuant to the Risk Retention Letter, the Investment Manager, in its capacity as Retention Holder, will undertake to retain the Retention Notes in order to comply with the Retention Requirements. See "*Retention Holder and Retention Requirements*" and "*Risk Factors - Risk Retention in Europe*".

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. Prospective investors should carefully consider the following factors, in addition to the matters set forth elsewhere in this Prospectus, 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 Prospectus 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 Payments. See Condition 3(c) (*Priorities of Payments*). In particular, payments in respect of the Class A Notes are generally higher in the Priorities of Payments 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 Subordinated Notes; payments in respect of the Class B Notes are generally higher in the Priorities of Payments than those of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; payments in respect of the Class C Notes are generally higher in the Priorities of Payments than those of the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; payments in respect of the Class D Notes are generally higher in the Priorities of Payments than those of the Class E Notes, the Class F Notes and the Subordinated Notes; payments in respect of the Class E Notes are generally higher in the Priorities of Payments than those of the Class F Notes and the Subordinated Notes; and payments in respect of the Class F Notes are generally higher in the Priorities of Payments than those of the Subordinated Notes. Neither the Initial Purchaser nor the Trustee undertakes to review the financial condition or affairs of the Issuer or the Investment Manager during the life of the arrangements contemplated by this Prospectus 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 Prospectus.

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 Payments. 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 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 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 statutes, regulations 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 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

European financial markets have experienced volatility and have been adversely affected by concerns over economic contraction in certain 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. Several countries have experienced or are currently experiencing a “double-dip” recession and there remains a risk of a “double-dip” recession in countries which have experienced modest growth over previous quarters and continued recession in countries which have not yet experienced positive growth since the onset of the global recession.

As discussed further in paragraph 1.6 (*Euro 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 its leaving the Euro is impossible to predict. 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.

There exist significant risks for the Issuer and investors as a result of adverse economic conditions. These risks include, among others: (i) 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, (ii) 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 (iii) 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. In addition, the primary market for a number of financial products including leveraged loans has stalled. 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, adverse conditions in the primary market may reduce the ability of the Investment 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 funds may suffer as a result. It is also possible that the Collateral will experience higher default rates than anticipated and that performance will suffer.

Many financial institutions including banks continue to suffer from capitalisation issues. 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 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 result of the above is a significantly more restrictive regulatory environment including the implementation of new accounting and capital adequacy rules in addition to further regulation of derivative or securitised instruments. Such additional rules and regulations could, among other things, adversely affect Noteholders as well as the flexibility of the Investment Manager in managing and administering 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 economic downturn at the same time or to the same degree as such other recovering sectors.

1.6 Euro and Euro Zone Risk

The ongoing deterioration of the sovereign debt of several countries, in particular Greece, together with the risk of contagion to other, more stable, countries, particularly France and Germany, has exacerbated the global economic crisis. This situation has also raised a number of 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 result of the credit crisis in Europe, in particular in Cyprus, Greece, Italy, Ireland, Portugal and Spain, 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. In March 2011, the European Council agreed on the need for Euro zone countries to 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 from 1 July 2013 onwards.

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, Italy, Ireland, Spain and Portugal, together with the risk that some countries could leave the Euro zone (either voluntarily or involuntarily), 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 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. It is difficult to predict the final outcome of the Euro zone crisis. Investors should carefully consider how changes to the Euro zone may affect their investment in the Notes.

1.7 Regulatory Initiatives

In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of banks, financial institutions and the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold 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 Arranger, the Investment Manager, the Trustee nor any of their Affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment in the Notes on the Issue Date or at any time in the future.

No representation is made as to the proper characterisation of the Notes for legal investment, financial institution regulatory, financial reporting or other purposes, as to the ability of particular investors to purchase the Notes under applicable legal investment or other restrictions or as to the consequences of an investment in the Notes for such purposes or under such restrictions. Certain regulatory or legislative provisions applicable to certain investors may have the effect of limiting or restricting their ability to hold or acquire the Notes, which in turn may adversely affect the ability of investors in the Notes who are not subject to those provisions to resell their Notes in the secondary market.

1.8 Risk Retention in Europe

On 16 April 2013, the European Parliament adopted Regulation (EU) No. 575/2013 ("**CRR**"), which was published in the Official Journal on 27 June 2013 and took effect on 1 January 2014. Articles 404¬410 (inclusive) of CRR (the "**Article 404 Retention Requirements**") apply to (a) credit institutions established in a Member State of the European Economic Area ("**EEA**") and consolidated group affiliates thereof (including those that are based in the United States) and (b) investment firms (each an "**Affected CRR Investor**") that invest in or have an exposure to credit risk in securitisations. The Article 404 Retention Requirements impose an

increased capital charge on a securitisation position acquired by an Affected CRR Investor unless, among other conditions, (a) the originator, sponsor or original lender for the securitisation has explicitly disclosed that it will retain, on an ongoing basis, a material net economic interest of not less than five per cent., of the nominal value of the securitised exposures or of the tranches sold to investors, and (b) the Affected CRR Investor is able to demonstrate that it has undertaken certain due diligence in respect of its securitisation position and the underlying exposures and that procedures are established for monitoring the performance of the underlying exposures on an on-going basis. On 13 June 2014, the Commission Delegated Regulation specifying the Regulatory Technical Standards in relation to the Article 404 Retention Requirements (the "**Retention RTS**") was published in the Official Journal of the European Union, and came into force on 3 July 2014.

On 22 July 2013, directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**") became effective. Article 17 of AIFMD required the EU Commission to adopt level 2 measures similar to those in the Article 404 Retention Requirements, allowing EEA managers of an alternative investment fund ("**AIFM**") to invest in securitisations on behalf of the alternative investment funds they manage only if the originator, sponsor or original lender has explicitly disclosed that it will retain on an ongoing basis, a material net economic interest of not less than five per cent. of the nominal value of the securitised exposures or of the tranches sold to investors and also to undertake certain due diligence requirements. Commission Delegated Regulation 231/2013 (the "**AIFMD Level 2 Regulation**") included those level 2 measures. Though the requirements in the AIFMD Level 2 Regulation are similar to those which apply under the Article 404 Retention Requirements, they are not identical. In particular, the AIFMD Level 2 Regulation requires AIFMs to ensure that the sponsor or originator of a securitisation meets certain underwriting and originating criteria in granting credit, and imposes more extensive due diligence requirements on AIFMs investing in securitisations than are imposed on Affected CRR Investors under the Article 404 Retention Requirements. Furthermore, AIFMs who discover after the assumption of a securitisation exposure that the retained interest does not meet the requirements, or subsequently falls below five per cent. of the economic risk, are required to take such corrective action as is in the best interests of investors. It remains to be seen how this last requirement is expected to be addressed by AIFMs should those circumstances arise. The requirements of the AIFMD Level 2 Regulation apply to new securitisations issued on or after 1 January 2011.

Requirements similar to the retention requirement in each of the Article 404 Retention Requirements and AIFMD apply to investments in securitisations by other types of EEA investors such as EEA insurance and reinsurance undertakings (pursuant to the Solvency II Retention Requirements), and will also apply (once level 2 measures are adopted under Directive 2009/65/EC on Undertakings for Collective Investment in Transferable Securities (the "**UCITS Directive**")) to funds which require authorisation under the UCITS Directive (all of which, together with AIFMs and Affected CRR Investors, are "**Affected Investors**"). Though many aspects of the detail and effect of all of these requirements remain unclear, CRR, AIFMD, Solvency II, the UCITS Directive and any other changes to the regulation or regulatory treatment of securitisations or of the Notes for some or all Affected Investors may negatively impact the regulatory position of individual holders and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

Affected Investors should therefore make themselves aware of the requirements of the applicable legislation governing retention and due diligence requirements for investing in securitisations (and any implementing rules in relation to a relevant jurisdiction) in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. In doing so, Affected Investors should also bear in mind that such requirements are open to interpretation under national law in individual European Union member states.

Each Affected Investor should consult with its own legal, accounting, regulatory and other advisors and/or its regulator to determine whether, and to what extent, the information set out herein in "*The Retention Holder and Retention Requirements*", information elsewhere in this Prospectus generally and in any investor report provided in relation to the transaction is sufficient for the purpose of satisfying such requirements. Affected Investors are required to independently assess and determine the sufficiency of such information. None of the Issuer, the Investment Manager, the Initial Purchaser, the Arranger, the Trustee, the Collateral Administrator, the Retention Holder, 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 or that the structure of the Notes and the transactions described herein are compliant with the requirements of CRR, AIFMD, Solvency II, the UCITS Directive or any other applicable legal, regulatory or other requirements and no such Person shall have any liability to any prospective investor or any other Person with respect to any deficiency in such information or any failure of the transactions contemplated hereby to comply with or otherwise satisfy such requirements. In the event that a regulator determines that the transaction did not comply or is no longer in compliance with CRR, AIFMD, Solvency II, the UCITS Directive or any applicable legal, regulatory or other requirement, then

if you are an Affected Investor you may be required by your regulator to set aside additional capital against your investment in the Notes or take others remedial measures in respect of your investment in the Notes.

The EU risk retention and due diligence requirements described above and any other changes in the law or regulation, the interpretation or application of any law or regulation or changes in the regulatory capital treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, may have a negative impact on the price and liquidity of the Notes in the secondary market. Without limitation to the foregoing, no assurance can be given that the Retention Requirements, or the interpretation or application thereof, will not change, and, if any such change is effected, whether such change would affect the regulatory position of current or future investors in the Notes.

With respect to the fulfilment by the Retention Holder of the risk retention requirements, please refer to "*The Retention Holder and Retention Requirements*" section of this Prospectus.

1.9 EMIR

The European Market Infrastructure Regulation EU 648/2012 ("**EMIR**") entered into force on 16 August 2012. EMIR and the regulations made under it impose certain obligations on parties to 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, or other entities which are "non-financial counterparties".

Financial counterparties will be subject to a general obligation (the "**clearing obligation**"), to clear through a duly authorised or recognised central counterparty 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 derivatives entered into by Financial Counterparties must also be marked to market and collateral must be exchanged (the "**margin requirement**").

Non-financial counterparties are excluded from the clearing obligation and certain of the risk mitigation obligations provided the gross notional value of all derivative contracts entered into by the non-financial counterparty and other non-financial counterparties within its "group", excluding eligible hedging transactions, do not exceed certain thresholds. If the Issuer is considered to be a member of such a "group" (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 Subordinated Notes) and if the notional value of derivative contracts entered into by the Issuer or other non-financial counterparties within any such group exceeds the applicable threshold, the Issuer would be subject to the clearing obligation. Whilst the asset swaps are expected to be treated as hedging transactions and deducted from the total in assessing whether the notional value of derivative contracts entered by the Issuer or its "group", again the regulator may take a different view. In the event that the Issuer exceeds the applicable clearing thresholds, it would also be subject to the full set of risk mitigation obligations and would be required to post collateral in respect of non-cleared OTC derivative contracts.

The Issuer would be unable to comply with such requirements, which could result in the sale of Asset Swap Obligations and/or termination of relevant Hedge Agreements. Hedge counterparties may also be unable to enter into hedge transactions with the Issuer. This would limit the Issuer's ability to invest in Non-Euro Obligations and put it in breach of its obligation to enter into Asset Swap Transactions with respect to any Non-Euro Obligations it has purchased. Any termination of a Hedge Agreement would expose the Issuer to costs and increased interest rate or currency exchange rate risk until the hedged assets can be sold. 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.

The clearing obligation does not yet apply but may apply from early 2015 in respect of certain entities. The margin requirement does not yet apply but may apply from the end of 2015. ESMA's final version of regulatory technical standards implementing the clearing obligation for certain classes of interest rate OTC derivatives was published on 1 October 2014 (the "**Draft RTS**"). This draft was submitted to the European Commission and is subject to legislative approval process. As such, it is not certain whether and in what form the Draft RTS will become effective. Key details as to how the clearing obligation may apply to other classes of OTC derivatives and of the margin requirement remain to be clarified via corresponding technical standards.

The Conditions of the Notes allow the Issuer and oblige the Trustee, without the consent of any of the Noteholders, 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 derivatives such as Asset Swap Transactions and Interest Rate Hedge Transactions) and may adversely affect the Issuer's ability to enter the asset swaps and therefore the Issuer's ability to acquire Non-Euro Obligations. 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. 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.

1.10 Alternative Investment Fund Managers Directive

EU Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**") became effective on 22 July 2013, and introduces 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 Investment Manager is not authorised under AIFMD but is authorised under MiFID. As the Investment Manager is not permitted to be authorised under the AIFMD and also to conduct certain regulated activities under MiFID, it will not be able to apply for an authorisation under the AIFMD unless it gives up its authorisation under MiFID (in which case it may not be able to hold the retention required under CRR (see paragraph 1.8 "*Risk Retention in Europe*" above)). If considered to be an AIF, the Issuer would also be classified as a "financial counterparty" under EMIR and may be required to comply with clearing obligations with respect to Hedge Transactions including obligations to post margin to any central clearing counterparty or market counterparty. See also paragraph 1.9 "*EMIR*" above.

There is an exemption from the definition of AIF in AIFMD for "securitisation special purpose entities" (the "**SSPE Exemption**"), defined by reference to securitisation within the meaning of Article 1(2) of Regulation (EC) No 24/2009 of the European Central Bank of 19 December 2008. 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 Investment 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.

In the event that the Investment Manager cannot continue to manage the Issuer's assets, the Issuer may delegate the management of its assets to a duly licensed AIFM. Such an AIFM would need to comply with a number of requirements under AIFMD, including the appointment of a custodian in respect of the Issuer's assets and compliance with certain reporting and disclosure obligations. Compliance with AIFMD by any AIFM appointed by the Issuer will involve significant additional costs which again may affect the return investors receive from their investment.

The Conditions of the Notes oblige the Trustee, without the consent of any of the Noteholders, 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.

1.11 The Dodd Frank Act and proposed changes to Regulation AB

In response to the downturn in the credit markets and the global economic crisis of 2007-2008, various agencies and regulatory bodies of the United States federal government and in Europe have taken or are considering taking actions. These actions include, but are not limited to, the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), which was signed into law on 21 July 2010, and which imposes a new regulatory framework over the U.S. financial services industry and the consumer credit markets in general, and proposed and actual regulations by the SEC and the Commodities Futures Trading Commission ("**CFTC**") that, if enacted and/or implemented as currently anticipated, would significantly alter the manner in which asset-backed securities, including securities similar to the Notes, are issued and structured and increase the reporting obligations of the issuers and asset managers of such securities.

Pursuant to the Dodd-Frank Act, the CFTC has promulgated a range of new regulatory requirements that may affect the pricing, terms and compliance costs associated with Hedge Agreements that may be entered into by the Issuer from time to time. Some or all of the Hedge Agreements may be affected by requirements for central clearing with a derivatives clearinghouse organisation, by initial and variation margin requirements of clearing organisations or otherwise required by law, reporting obligations in respect of Hedge Agreements, documentation responsibilities, and other matters that may significantly increase costs to the Issuer and/or the Investment Manager, lead to the Issuer's inability to purchase additional Collateral Debt Obligations or have unforeseen legal consequences on the Issuer or the Investment Manager or have other material adverse effects on the Issuer or the Noteholders. In addition, recently adopted CFTC rules under the Dodd-Frank Act include "swaps" along with "commodities" as contracts which if traded by an entity may cause that entity to fall within the definition of a "commodity pool" under the Commodity Exchange Act and the Investment Manager to fall within the definition of a "commodity pool operator" ("**CPO**"). Although the CFTC has provided guidance that certain securitisation transactions, including certain CLOs, will be excluded from the definition of "commodity pool", such exclusion will not apply to all CLO transactions, and in certain instances, the investment manager of a securitisation vehicle may be required to register as a CPO with the CFTC or apply for an exemption from registration. The Investment Manager shall only cause the Issuer to enter into Hedge Agreements in respect of which either (i) at the time such Hedge Agreement is entered into it complies with the Hedge Agreement Eligibility Criteria or (ii) prior to entering into such Hedge Agreement, the Issuer obtains legal advice of reputable international legal counsel knowledgeable in such matters to the effect that the entry into of such Hedge Agreement will not cause any commodity pool operator of the Issuer, including the Investment Manager, to be required to register as a CPO with the CFTC in respect of the Issuer. See further "*Hedging Arrangements*".

The requirements of any exemption from regulation of the Investment Manager as a CPO with respect to the Issuer could cause the Issuer or the Investment Manager to be subject to registration and reporting requirements that may involve material costs to the Issuer. The scope of the requirements described above and related compliance costs is uncertain but could adversely affect the amount of funds available to make payments on the Notes. While the Issuer may be excluded from the definition of "commodity pool" or the Investment Manager may satisfy the requirements of an exemption from the registration requirements described above, the conditions of any such exclusion or exemption may constrain the extent to which the Issuer may be able to enter into swap transactions.

Given the broad scope, recent implementation and sweeping nature of these changes, the potential impact of these regulatory changes on the Issuer, any of the Notes or any of the Noteholders remains in many respects unclear, and no assurance can be given that the impact of such changes would not have a material adverse effect on the prospects of the Issuer or the value or marketability of the Notes. If transactions are not exempted from any such new rules or regulations, the costs of compliance with such rules and regulations could have a material adverse effect on the Issuer and the Noteholders. If the Issuer were unable to comply with such rules and regulations (because of excessive cost, unavailability of information or otherwise), an Event of Default could result. Liquidation of the Collateral as a result of an Event of Default could have a material adverse effect on the Noteholders, particularly holders of the Subordinated Notes.

It is difficult to predict whether and to what extent the businesses of the Investment Manager and its subsidiaries and Affiliates and the Borrower will be affected by the Dodd-Frank Act as implementing regulations are finalised over time and come into effect. This uncertainty is further compounded by the numerous regulatory efforts underway outside the U.S.. Certain of these efforts overlap with the substantive provisions of the Dodd-Frank Act, while others, such as proposals for financial transaction and/or bank taxes in particular countries or regions, do not. In addition, even where these U.S. and international regulatory efforts overlap, these efforts generally have not been undertaken on a fully coordinated basis. Areas where divergence between U.S. regulators and their international counterparts exists or has begun to develop (whether with respect to scope, interpretation, timing, approach or otherwise) includes trading, clearing and reporting requirements for derivatives transactions, capital and margin requirements relating to uncleared derivatives transactions, and capital and liquidity requirements, among others.

In addition, proposed rules regarding risk retention by sponsors of asset-backed securities could potentially limit the ability of the Issuer to issue additional Notes or undertake any Refinancing.

Furthermore, the U.S. Securities and Exchange Commission (the "**SEC**") had proposed changes to Regulation AB as defined 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 Prospectus

or required the publication of a new prospectus in connection with the issuance and sale of any additional Securities or any Refinancing. While on August 27, 2014, the SEC adopted final rules amending Regulation AB that did not implement these proposals, 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.

No assurance can be given that the United States federal government or any U.S. regulatory body (or other authority or regulatory body) will not continue to take further legislative or regulatory action in response to the economic crisis or otherwise, and the effect of such actions, if any, cannot be known or predicted.

1.12 Volcker Rule

On 10 December 2013, regulations implementing Section 13 of the U.S. Bank Holding Company Act of 1956, as amended (12 U.S.C. §1851), were issued by the Board of Governors of the Federal Reserve System (collectively, the "**Volcker Rule**"). Among other things, the Volcker Rule will prohibit "banking entities" (including certain non-U.S. affiliates of U.S. banking entities) from certain proprietary trading activities and will restrict sponsorship or ownership of "covered funds". The definition of "covered fund" in the Volcker Rule includes (generally) any entity that would be an investment company under the Investment Company Act but for the exemption provided under Sections 3(c)(1) or 3(c)(7) thereunder. As discussed in paragraph 1.13 "*Risk Factors – General – Issuer Reliance on 3a-7*" below, it is the intention of the Issuer and the Investment Manager to structure the Issuer's affairs to comply with Rule 3a-7 under the Investment Company Act in order that the Issuer does not fall within the definition of "covered fund" for the purposes of the Volcker Rule. However, there can be no assurance that the Issuer will not be treated as a "covered fund" or that the Issuer will be viewed by a regulator in the US as having complied with Rule 3a-7. See further also paragraph 1.13 "*Risk Factors – General – Issuer Reliance on 3a-7*" and paragraph 5 "*Risk Factors - Investment Company Act*".

If the Issuer is a "covered fund", certain entities (including, without limitation, a "banking entity") may be prohibited from, among other things, acting as a "sponsor" to, or having an "ownership interest" in the Issuer. The Volcker Rule and interpretations thereunder are still uncertain, may restrict or discourage the acquisition of Notes by such entities, and may adversely affect the liquidity of the Notes. "Ownership Interest" is defined to include, among other things, interests arising through a holder's exposure to profits and losses in a covered fund or through the right of a holder to participate in the selection of an investment manager or advisor or the board of directors of a "covered fund". It should be noted that the Subordinated Notes will be characterised as ownership interests in the Issuer for this purpose. It is uncertain whether any of the Rated Notes may be similarly characterised as an ownership interest in the Issuer. For instance, there is currently uncertainty as to whether the rights of Noteholders to participate in the removal of, and/or selection of a replacement for, the Investment Manager for cause in and of itself will be construed as indicative of an ownership interest by the Noteholders of the relevant Class. Such characterisation may have adverse effects on the Issuer and the liquidity and value of the Notes including limiting the secondary market of the Notes and affecting the Issuer's access to liquidity and ability to hedge its exposures.

In addition, the Class A Notes, Class B Notes, Class C Notes and Class D Notes are issued in subclasses, some of which have voting rights with respect to the removal and replacement of the Investment Manager and others of which do not possess such voting rights. Accordingly, U.S. and non U.S. banking entities subject to the Volcker Rule investing in those classes of Notes will have the option to invest in subclasses that do not by their terms have a right to remove or replace the Investment Manager or to invest in subclasses which possess such rights. Were the Issuer to be treated as a "covered fund" (as described in the immediately preceding paragraph), there can be no assurance, however, that owning the Notes of such a subclass without such rights (rather than a note of another subclass identical in every respect but for the right to vote to remove or replace the Investment Manager) would be effective in resulting in such Notes held by U.S. and non U.S. banking entities subject to the Volcker Rule (whether in the form of IM Exchangeable Non-Voting Notes or otherwise) not being characterised as an "ownership interest" in the Issuer.

Although the Volcker Rule provides limited exceptions to its prohibitions, each investor in the Notes must make its own determination as to whether it is subject to the Volcker Rule, whether its investment in the Notes would be restricted or prohibited under the Volcker Rule, and the potential impact of the Volcker Rule on its investment, any liquidity in connection therewith and on its portfolio generally. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Initial Purchaser, the Arranger, the Investment Manager, the Trustee nor any of their affiliates makes any representation 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.

1.13 Issuer Reliance on Rule 3a-7

It is expected that the Issuer will be relying on an exemption from the definition of investment company, and from the resulting requirement to register under the Investment Company Act, that in turn depends on the Issuer not being an investment company required to register under the Investment Company Act by reason of Rule 3a-7 thereunder ("**Rule 3a-7**"). So long as the Issuer relies on Rule 3a-7, its ability (and the ability of the Investment Manager on its behalf) to acquire and dispose of Collateral Debt Obligations, Collateral Enhancement Obligations, Exchanged Equity Securities or Eligible Investments may be limited, which could adversely affect its ability to realise gains, mitigate losses or reinvest principal payments or sale proceeds. In particular, there are restrictions on trading. These restrictions may adversely affect the return to holders of the Notes.

In 2011, the U.S. Securities and Exchange Commission (the "**SEC**") published an advance notice of proposed rulemaking to potentially consider proposing amendments to Rule 3a-7. Any guidance from the SEC or its staff regarding Rule 3a-7, including changes that the SEC may ultimately adopt to Rule 3a-7, that narrow the scope of Rule 3a-7, could further inhibit the business activities of the Issuer and adversely affect the holders of the Notes.

Notwithstanding these restrictions, there can be no assurance that the Issuer will satisfy the requirements of Rule 3a-7 (including with respect to the Trading Requirements) or that any investor will be able to treat the Issuer as exempt under Rule 3a-7 for such purposes, and none of the Issuer, the Initial Purchaser, the Arranger, the Investment Manager, the Trustee nor any of their affiliates makes any representation with respect thereto. It is expected that, in connection with certain capital raising activities of certain investors in the Notes and other investors in collateralised debt obligation securities, the SEC may consider the applicability of Rule 3a-7 to the Issuer or other issuers engaged in similar activities. There can be no assurance as to the results of any such consideration, and such action by the SEC could adversely affect the Issuer and the Noteholders. If necessary as a result of such consideration or otherwise, in order to permit the Issuer to rely on Rule 3a-7 or otherwise avoid constituting an investment company required to register under the Investment Company Act, the Issuer will be permitted to amend the Trust Deed and/or the Conditions of the Notes without the consent of the Noteholders. Such amendments could result in additional limitations on the ability of the Issuer to purchase and sell Collateral Debt Obligations, among other restrictions, and could adversely affect the return to Noteholders. See further also paragraph 5 "*Risk Factors - Investment Company Act*".

1.14 U.S. Risk Retention

On 21 and 22 October 2014, the joint final regulations implementing the credit risk retention requirements of section 15G of the Exchange Act as added by the Dodd-Frank Act ("**U.S. Risk Retention Regulations**") were adopted and will become effective with respect to CLOs on 24 December 2016 (the "**U.S. Risk Retention Regulations Effective Date**"). The U.S. Risk Retention Regulations generally require securitisers of asset-backed securities, including investment managers of collateral loan obligations ("**CLOs**"), to retain not less than 5 per cent. of the credit risk of the assets collateralizing such asset-backed securities unless an exemption applies. The U.S. Risk Retention Regulations are not currently applicable to securities issued prior to the U.S. Risk Retention Regulations Effective Date. In addition, while the U.S. Risk Retention Regulations would not apply to the issuance and sale of the Notes on the Issue Date, they may have other adverse effects on the Issuer and/or the holders of the Notes. Prior to the U.S. Risk Retention Regulations Effective Date, a negative impact on secondary market liquidity for the Notes may be experienced due to the effect of the U.S. Risk Retention Regulations on market expectations, the relative appeal of alternative investments not subject to the U.S. Risk Retention Regulations and other factors. In addition, it is possible that the U.S. Risk Retention Regulations may reduce the number of investment 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 leveraged loan market could reduce opportunities for the Investment 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. After the U.S. Risk Retention Regulations Effective Date, it is possible that a Refinancing, additional issuance of Notes or re-pricing by the Issuer after such date of the U.S. Risk Retention Regulations would be considered a new transaction that would be subject to the U.S Risk Retention Regulations. As a result, the ability of the Issuer to effect any such Refinancing, additional issuance of Notes or re-pricing

(including due to the Investment Manager's withholding of its consent to any such Refinancing, additional issuance of Notes or re-pricing) may be impaired or otherwise limited. Furthermore, no assurance can be given as to whether the U.S. Risk Retention Regulations will have any material adverse effect on the business, financial condition or prospects of the Investment Manager or the Issuer or on the market value or liquidity of the Notes.

1.15 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.

1.16 Flip Clauses

The validity and enforceability of certain provisions in contractual priorities of payments which purport to alter the priority in which a particular 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 law and the enforceability of "ipso facto" clauses under U.S. insolvency law. These principles prevent 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 under the UK "anti-deprivation" laws, stating that the anti-deprivation principle was not breached by such provisions.

In contrast, 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 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 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. The English and U.S. courts have reached different conclusions applying different laws which may adversely affect the Issuer's ability to make payments on the Notes. Given the current state of U.S. and English law, 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 Payments 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.

1.17 LIBOR and EURIBOR Reform

Proposals to reform LIBOR

LIBOR is currently being reformed, including:

(a) the replacement of the BBA with ICE Benchmark Administration Limited as LIBOR administrator, as of 1 February 2014;

(b) a reduction in the number of currencies and tenors for which LIBOR is calculated; and

(c) changes in the way that LIBOR is calculated, by compelling more banks to provide LIBOR submissions and basing these submissions on actual transaction data.

Investors should be aware that:

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

(b) if the applicable rate of interest on any Collateral Debt Obligation is calculated with reference to a 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) 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 to the Swap Counterparty 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; and

(c) the administrator of LIBOR will not have any involvement in the Collateral Debt Obligations or the Notes and may take any actions in respect of LIBOR, including making methodological changes that could change the level of LIBOR, without regard to the effect of such actions on the Collateral Debt Obligations or the Notes.

Any of the above or any other significant change to the setting of LIBOR could have a material adverse effect on the value of, and the amount payable under:

(a) any Collateral Debt Obligations which pay interest linked to a LIBOR rate; and

(b) the Notes.

Proposals to Reform EURIBOR and other Benchmark Indices

The Euro Interbank Offered Rate as used in this paragraph 1.17 "*Risk Factors - LIBOR and EURIBOR Reform*" ("**EURIBOR**") and other so-called "benchmarks" are the subject of proposals for reform by a number of international authorities and other bodies. In September 2013, the European Commission published a proposed regulation (the "**Proposed Benchmark Regulation**") on indices used as benchmarks in financial instruments and financial contracts.

The Proposed Benchmark Regulation will, if enacted, make significant changes to the way in which EURIBOR is calculated, including detailed codes of conduct for contributors and transparency requirements applying to contributions of data. Benchmarks such as EURIBOR may be discontinued if they do not comply with these

requirements, or if the administrator of the benchmark either fails to apply for authorisation or is refused authorisation by its home regulator.

Investors should be aware that:

(a) any of these changes or any other changes to 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;

(b) if the applicable rate of interest on any Collateral Debt Obligation is calculated with reference to a EURIBOR currency or tenor which is discontinued, 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;

(c) if the EURIBOR benchmark referenced in paragraph (A) of Condition 6(e)(i) (*Floating Rate of Interest*) is discontinued, interest on the Notes will be calculated under paragraph (B) of Condition 6(e)(i) (*Floating Rate of Interest*); and

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

Any of the above or any other significant changes to EURIBOR or any other benchmark could have a material adverse effect on the value of, and the amount payable under:

(a) any Collateral Debt Obligations which pay interest linked to a EURIBOR rate or other benchmark (as applicable); and

(b) the Notes.

1.18 Financial Transaction Tax ("FTT")

In February 2013 the European Commission published a proposal for a Council Directive implementing enhanced cooperation for a FTT requested by Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovakia and Slovenia (the "**Participating Member States**").

In its current form, the proposed FTT would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State, or the financial instrument in which the parties are dealing is issued in a Participating Member State. The FTT will apply to both transaction parties where one of these circumstances applies.

A financial institution may be, or be deemed to be, "established" in a participating EU member state in a broad range of circumstances, including (a) by transacting with a person established in a participating EU member state or (b) where the financial instrument which is subject to the financial transaction is issued in a participating EU member state.

If the FTT is adopted based on the Commission Proposal, then it may operate in a manner giving rise to tax liabilities for the Issuer with respect to certain transactions (including concluding swap transactions and/or purchases or sales of securities (such as authorised investments)). Any such liabilities may reduce amounts available to the Issuer to meet its obligations under the Notes and may result in investors receiving less interest or principal than expected. To the extent that such liabilities may arise at a time when winding up proceedings have been commenced in respect of the Issuer, such liabilities may be regarded as an expense of the liquidation and, as such, be payable out of the floating charge assets of the Issuer (and its general estate) in priority to the claims of Noteholders and other secured creditors. 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 exempt.

Certain aspects of the current proposal are controversial and, if the FTT is progressed, may be altered prior to implementation. A joint statement issued in May 2014 by ten of the eleven participating member states indicated an intention to implement the FTT progressively, such that it would initially extend to transactions involving

shares and certain derivatives, with this initial implementation occurring by 1 January 2016. However, full details are not available and further changes could be made prior to adoption. Additional Member States may also 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.

The FTT may also apply to dealings in the Collateral to the extent the Collateral constitutes financial instruments within its scope, such as bonds. In such circumstances, there will be no gross-up by any party to the transaction and amounts due to Noteholders may be adversely affected.

1.19 FATCA

Tax provisions commonly known as the Foreign Account Tax Compliance Act provisions or FATCA may impose a 30 per cent. withholding tax on payments of U.S. source interest and dividends made on or after 1 July 2014 and on certain other payments made on or after 1 January 2017 to a foreign financial institution (or "**FFI**") (such as the Issuer) that, unless exempted or deemed compliant, does not enter into, and comply with, an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide certain information on its U.S. accountholders. Further, FATCA may impose a withholding tax of up to 30 per cent. on gross payments due under derivatives in certain circumstances.

If necessary to avoid FATCA-related withholding tax, the Issuer may enter into an agreement with the IRS (an "**IRS Agreement**"). Unless exempted or deemed compliant, an FFI that does not enter into such agreement or whose agreement is voided by the IRS will be treated as a "**non-Participating FFI**". The Issuer expects that the IRS Agreement will require the Issuer (or an intermediary financial institution, broker or agent (each, an "**Intermediary**") through which a beneficial owner holds its interest in a Note) to agree to:

(a) obtain certain identifying information regarding the holder of such Note to determine whether the holder is a U.S. person or U.S. owned foreign entity and to periodically provide identifying information about the holder to the IRS; and

(b) comply with withholding and other requirements.

To the extent any payments in respect of the Notes are made to a Noteholder by an Intermediary, such Noteholder may be required to comply with the Intermediary's requests for identifying information that would permit the Intermediary to comply with its own IRS Agreement. Any Noteholder that fails to properly comply with the Issuer's or an Intermediary's requests for certifications and identifying information or, if applicable, a waiver of non-U.S. law prohibiting the release of such information to a taxing authority, will be treated as a "**Recalcitrant Holder**".

The Issuer or an Intermediary may be required to deduct a withholding tax of up to 30 per cent. on payments (including gross proceeds and redemptions) made on or after 1 January 2017 to a Recalcitrant Holder or a Noteholder that itself is an FFI and, unless exempted or otherwise deemed to be compliant, does not have in place an effective IRS Agreement (i.e., the Noteholder is a non-Participating FFI). Neither the Issuer nor an Intermediary will make any additional payments to compensate a Noteholder or beneficial owner for any amounts deducted pursuant to FATCA. It is also possible that the Issuer may be required to cause the disposition or transfer of Notes held by a Recalcitrant Holder or a non-Participating FFI and the proceeds from any such disposition or transfer may be an amount less than the then current fair market value of the Notes transferred.

In general, U.S. source obligations that are outstanding as of 30 June 2014 and non-U.S. source obligations that are outstanding on the later of 30 June 2014 and the date that is six months after the adoption of final U.S. Treasury regulations addressing withholding on "foreign passthru payments" and, in each case, that are not modified and treated as reissued, for U.S. federal income tax purposes, after the relevant date (such obligation, a "**Grandfathered Obligation**") will not be subject to withholding. Obligations that are treated as equity for U.S. federal income tax purposes (e.g. the Subordinated Notes) and certain debt obligations lacking a definitive term (such as saving and demand deposits), however, are not eligible for grandfathering. Because the Notes are expected to be treated as non-U.S. source obligations and final regulations addressing foreign passthru payments have not yet been issued, the Notes (other than the Subordinated Notes and any other Class of Notes characterised as equity in the Issuer) should qualify for the grandfathering exemption.

Subject to the discussion below regarding intergovernmental agreements, if the Issuer decides not to enter into an IRS Agreement, the Issuer may be subject to a 30 per cent. withholding tax on certain payments to it. Further,

the Issuer's failure to enter into an IRS Agreement may preclude certain of its affiliates from themselves complying with FATCA. In addition, if an FFI affiliate of the Issuer is not FATCA compliant (i.e., it fails to comply with, and is not exempted from complying with, FATCA), the Issuer itself may be prevented from complying with FATCA. For this purpose an FFI affiliate generally is an FFI that is deemed to be part of an affiliated group that includes the Issuer (where, in general, such affiliates and the Issuer are deemed related through more than 50 per cent. ownership). For example, if an FFI owns (for US federal income tax purposes) more than 50 per cent. of the Issuer's equity and such FFI equity owner is not FATCA compliant, the Issuer may be prevented from complying with FATCA. Furthermore, if an entity is deemed (for US federal income tax purposes) to own more than 50 per cent. of the equity of both (i) the Issuer and (ii) another FFI, such other FFI may be treated as an FFI affiliate of the Issuer for this purpose and, thus, if such other FFI is not FATCA compliant, the Issuer may be prevented from complying with FATCA. For these purposes, ownership of the majority of the Subordinated Notes of the Issuer is likely to constitute the requisite ownership. Similarly ownership by a person of a majority of the ordinary share capital of another FFI or, in the case of another FFI which is a special purpose entity similar to the Issuer, of the most junior class and any other class treated as equity for U.S. federal tax purposes of such other FFI, is likely to constitute the requisite ownership by that person of such other FFL. Although the Issuer will not prohibit any person from holding more than 50 per cent. of the Issuer's equity (for US federal income tax purposes), it may force the sale of all or a portion of the equity (for US federal income tax purposes) held by such a person if such holder is an FFI affiliate of the Issuer that is preventing the Issuer from complying with FATCA. For these purposes, 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 result in the Issuer complying with FATCA.

The Netherlands entered into an intergovernmental agreement ("**IGA**") with the United States on 18 December 2013, pursuant to which the Issuer will not be required to enter into an agreement with the IRS but instead will be treated as deemed compliant, provided that it complies with the IGA, Netherlands administrative guidance and any legislation enacted by the Netherlands which generally is expected to require certain information in respect of account holders and investors be collected and reported to the Netherlands taxing authorities. Although it intends to comply with all Netherlands laws and regulations enacted pursuant to the IGA there can be no assurance that the Issuer will be able to do so. Although the IGA is still subject to approval by The Netherlands Senate, it is treated as effective by the Internal Revenue Service ("**IRS**") and the Issuer has registered with the IRS for FATCA purposes as a registered deemed compliant entity pursuant to the IGA.

There can be no assurance that payments to the Issuer in respect of its assets, including on a Collateral Debt Obligation, will not be subject to withholding under FATCA. If payments to the Issuer in respect of its assets, including the Collateral are subject to withholding, this will result in the occurrence of a Collateral Tax Event pursuant to which the Notes may be subject to early redemption in the manner described in Condition 7(b) (*Optional Redemption*). In addition, even if a beneficial owner of a payment complies with requests for identifying information, the ultimate payment to such beneficial owner could be subject to withholding if an Intermediary is subject to withholding for its failure to comply with FATCA. Accordingly, a holder should consult its own tax advisors as to the potential implication of the U.S. withholding taxes on the Notes before investing.

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

Many jurisdictions have adopted wide-ranging anti-money laundering, anti-terrorism, economic and trade sanctions, and anti-corruption and anti-bribery laws and regulations (collectively, the "**Requirements**"). Any of the Issuer, the Initial Purchaser, the Arranger, the Investment Manager or the Trustee 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 Investment Manager and the Trustee will comply with Requirements to which they are or may become subject and to interpret such Requirements broadly in favour of disclosure. Failure to honour any request by the Issuer, the Initial Purchaser, the Arranger, the Investment 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 Arranger, the Investment Manager or the Trustee to comply with any 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 Arranger, the Investment 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, and will disclose any information required or requested by authorities in connection therewith.

1.21 Third Party Litigation; Limited Funds Available

The Issuer's investment activities may subject it 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. The expense of defending against claims against the Issuer by third parties and paying any amounts pursuant to settlements or judgments would be borne by the Issuer. The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Investment Manager, the Collateral Administrator and for payment of the Issuer's other accrued and unpaid Administrative Expenses are limited amounts available in accordance with the Priorities of Payments. 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. In addition, service providers who are not paid in full, including the Managing Directors have the right to resign. This could ultimately lead to the Issuer being in default under the applicable laws of the Netherlands and potentially being removed from the register of companies and dissolved.

1.22 CRA

Regulation 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 (the "**CRA3 Effective Date**"). 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. Such disclosures will need to be made via a website to be set up by the European Securities and Markets Authority ("**ESMA**"). As yet, this website has not been set up so issuers, originators and sponsors cannot currently comply with Article 8(b). On 30 September 2014, the European Commission adopted a delegated regulation detailing the scope and nature of the required disclosure. The delegated regulation was published in the Official Journal of the European Union on 6 January 2015, and came into force on the twentieth day following such publication. However, the disclosure obligations in the delegated regulation will only begin to apply from 1 January 2017, and will only affect structured finance instruments issued after its entry into force. The delegated regulation only applies to structured finance instruments for which a reporting template has been specified by ESMA, and currently there is no template for CLO transactions. Thus although CRA3 imposes a reporting obligation on issuers, sponsors and originators of instruments such as the Notes, such reporting obligation does not yet apply.

Additionally, Article 8(c) of CRA3 has introduced a requirement that issuers or related third parties of structured finance instruments obtain two independent ratings for their obligations; and should 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.

2. RELATING TO THE NOTES

2.1 Limited Liquidity and Restrictions on Transfer

Although there is currently a limited market for notes representing collateralised debt obligations similar to the Notes (other than the Subordinated Notes), there is currently no market for the Notes themselves. The Initial Purchaser or its Affiliates may make a market for the Notes (other than the Subordinated Notes), but are not obliged to do so, and any such market-making may be discontinued at any time without notice. Any indicative prices provided by the Initial Purchaser or its Affiliates shall be determined in the Initial Purchaser's sole discretion taking into account prevailing market conditions and shall not be a representation by the Initial Purchaser or its Affiliates that any instrument can be purchased or sold at such prices (or at all). Notwithstanding the above, the Initial Purchaser or its Affiliates may suspend or terminate making a market and providing indicative prices without notice, at any time and for any reason. 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 Prospectus. Such restrictions on the transfer of the Notes may further limit their liquidity.

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

2.2 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 and mezzanine loans 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 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 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 Subordinated Notes in accordance with the Priorities of Payments.

2.3 The Notes are Subject to Optional Redemption in Whole or in Part by Class

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

(a) on any day falling on or after the expiry of the Non-Call Period, either (x) at the direction of the Subordinated Noteholders acting by way of Ordinary Resolution or (y) at the direction in writing of the Retention Holder;

(b) on any Payment Date following the occurrence of a Collateral Tax Event at the direction of the Subordinated Noteholders acting by Ordinary Resolution; or

(c) on any Payment Date following the occurrence of a Note Tax Event at the direction of the Controlling Class or the Subordinated Noteholders acting by way of Extraordinary Resolution.

In addition, the Rated Notes may be redeemed in part by Class from Refinancing Proceeds at the applicable Redemption Prices on any Business Day falling on or after expiry of the Non-Call Period at the direction of the Subordinated Noteholders acting by Ordinary Resolution or at the written direction of the Investment Manager. Any such redemption shall be of an entire Class or Classes of Notes subject to a number of conditions. See Condition 7(b) (*Optional Redemption*).

As described in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) 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 from the sale of Collateral Debt Obligations and Eligible Investments received in accordance with the procedures set forth in the Trust Deed, 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

(including without limitation Deferred Interest on any Class of Notes entitled thereto) save for the Subordinated Notes and all amounts payable in priority thereto pursuant to the Priorities of Payments (subject to any election to receive less than 100 per cent. of Redemption Price) on such Redemption Date when applied in accordance with the Post-Acceleration Priority of Payments.

In the case of a Refinancing upon a redemption of the Rated Notes in part by Class, such Refinancing will only be effective if certain conditions are satisfied, including but not limited to: (i) any redemption of a Class of Notes is a redemption of the entire Class which is subject to the redemption and (ii) 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 Proceeds Priority of Payments prior to paying any amount in respect of the Subordinated Notes will be at least sufficient to pay the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption in full and all accrued and unpaid Trustee Fees and Expenses and Administrative Expenses in connection with such Refinancing in full. See Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

The Trust Deed provides that the holders of the Subordinated Notes will not have any cause of action against any of the Issuer, the Investment 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 and, at the direction of the Investment Manager, the Trustee shall amend the Trust Deed to the extent necessary to reflect the terms of the Refinancing and no further consent for such amendments shall be required from the holders of the 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 Subordinated Notes, the holders of the Subordinated Notes who do not direct such redemption).

The Subordinated Notes may be redeemed, in whole or in part in aggregate at their Redemption Price, on any day or days on or after the redemption or repayment in full of the Rated Notes, at the direction of (x) the Subordinated Noteholders (acting by Ordinary Resolution) and (y) the Investment Manager.

The Investment Manager may also cause the Issuer to redeem the Rated Notes in whole from Sale Proceeds on any Payment Date falling 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. Any such redemptions shall be subject to Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*).

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 Subordinated Notes after all required payments are made to the holders of the Rated Notes. In addition, an Optional Redemption could require the Investment Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realised value of the Collateral Debt Obligations sold.

2.4 The Notes are Subject to Special Redemption at the Option of the Investment Manager

The Notes will be subject to redemption in part by the Issuer on any Payment Date during the Reinvestment Period if the Investment Manager in its sole discretion certifies to the Trustee that it has been unable, for a period of at least 20 consecutive Business Days, to identify additional Collateral Debt Obligations or Substitute Collateral Debt Obligations that are deemed appropriate by the Investment Manager in its discretion and which would 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 to be invested in additional Collateral Debt Obligations or Substitute Collateral Debt Obligations. On the Special Redemption Date, the Special Redemption Amount will be applied in accordance with the Priorities of Payments. 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 Subordinated Notes.

2.5 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 Subordinated Noteholders, including in relation to the breach of any of the Coverage Tests. See Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

2.6 The Reinvestment Period may Terminate Early

The Reinvestment Period may terminate early if any of the following occur:

(a) acceleration following an Event of Default; or

(b) the Investment Manager certifies the Issuer that it is unable to invest in additional Collateral Debt Obligations in accordance with the Investment Management and Collateral Administration Agreement. Early termination of the Reinvestment Period could adversely affect returns to the Subordinated Noteholders and may also cause the holders of Rated Notes to receive principal payments earlier than anticipated.

2.7 The Investment Manager May Reinvest After the End of the Reinvestment Period

After the end of the Reinvestment Period, the Investment Manager may still 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 Investment Management and Collateral Administration Agreement. See "*The Portfolio - Reinvestment of Collateral Debt Obligations - Following the Expiry of the Reinvestment Period*" below.

2.8 Additional Issuances of Notes May Prevent the Failure of Coverage Tests and an Event of Default

At any time, the Issuer may issue and sell additional Notes and use the net proceeds to acquire Collateral Debt Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Debt Obligations. See Condition 17 (*Additional Issuances*). The application of the proceeds of additional Notes as Interest Proceeds or toward the acquisition of additional Collateral Debt Obligations could result in satisfaction of a Coverage Test that would otherwise be failing and could also prevent certain Events of Default from occurring and thus, potentially decrease the occurrence of principal prepayments of the highest ranking Class of Notes.

2.9 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 and Non-Petition*). None of the Investment Manager, the Noteholders of any Class, the Initial Purchaser, the Arranger, the Retention Holder, the Trustee, the Collateral Administrator, the Custodian, any Agent, any Hedge Counterparty or any Affiliates of any of the foregoing or the Issuer's Affiliates or any other person or entity (other than the Issuer) will be obliged to make payments on 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. If distributions on the Collateral are insufficient to make payments on the Notes, no other assets (and, in particular, no assets of the Investment Manager, the Noteholders, the Initial Purchaser, the Arranger, the Retention Holder, the Trustee, the Collateral Administrator, the Custodian, any Agent, any Hedge Counterparty or any Affiliates of any of the foregoing) will be available for payment of the deficiency and following realisation of the Collateral and the application of the proceeds thereof in accordance

with the Priorities of Payments, the obligations of the Issuer to pay such deficiency shall be extinguished. Such shortfall will be borne (as amongst the Noteholders) by:

(a) firstly, the Subordinated Noteholders;

(b) secondly, the Class F Noteholders;

(c) thirdly, the Class E Noteholders;

(d) fourthly, the Class D Noteholders;

(e) fifthly, the Class C Noteholders;

(f) sixthly, the Class B Noteholders; and

(g) lastly, the Class A Noteholders,

in each case in accordance with the Priorities of Payments.

In addition, at any time while the Notes are Outstanding, none of the Noteholders nor the Trustee nor any other Secured Party (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, the Trust Deed or otherwise owed to the Noteholders, save for lodging a claim in the liquidation of the Issuer which is initiated by another party (which is not an Affiliate of such 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.

2.10 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, then the filing or presentation of such a petition could result in one or more payments on the Notes made during the period prior to such filing 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.

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

Except as described below, 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 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 Payments have been made in full. Payments on the 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 Investment Manager on behalf of the Issuer to transfer amounts which would have been payable on the Subordinated Notes to the Collateral Enhancement 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 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 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 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 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 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 Subordinated Noteholders. Remedies pursued on behalf of the Class E Noteholders could be adverse to the interests of the Class F Noteholders and Subordinated Noteholders. Remedies pursued on behalf of the Class F Noteholders could be adverse to the interests of the Subordinated Noteholders.

The Trust Deed provides that in the event of any conflict of interest among or between the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated 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:

(a) the Class B Noteholders over the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(b) the Class C Noteholders over the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(c) the Class D Noteholders over the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(d) the Class E Noteholders over the Class F Noteholders; and

(e) the Class F Noteholders over the Subordinated Noteholders.

If 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*).

2.12 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 Subordinated Notes at any time, due to there being insufficient funds available to pay such interest in accordance with the applicable Priority of Payments, will not be an Event of Default. Payments of interest and principal on the Subordinated Notes will only be made to the extent that there are Interest Proceeds and Principal Proceeds and Collateral Enhancement Obligation Proceeds available for such purpose in accordance with the Priorities of Payments. No interest or principal may therefore be payable on the 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.

As described above, 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 Subordinated Notes at any time, even where such Class of Notes is the Controlling Class, will not be an Event of Default. Holders of such Classes of Notes will consequently have no right to accelerate their Notes or to direct that the Trustee take enforcement action with respect to the Collateral to recover the principal amount of their Notes outstanding in such circumstances.

2.13 Reports Provided by the Collateral Administrator Will Not Be Audited

The monthly 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 Investment Manager. Information in the reports will not be audited nor will reports include a review or opinion by a public accounting firm.

2.14 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 Prospectus 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 related 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.

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 Investment 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 S&P has not given Rating Agency Confirmation in respect of its initial ratings of the applicable Rated Notes, an Effective Date Rating Event will have occurred and 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 of liquidity of the Notes.

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

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 arranger's certifications. If the arranger 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. 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 (an "**NRSRO**") for purposes of the federal securities laws and that determination may also have an adverse effect on the market prices and liquidity of the Rated Notes.

2.15 Average Life and Prepayment Considerations

The Maturity Date of the Notes is the Payment Date falling on or about 12 July 2028 (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 delivery 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 issuers of the underlying Collateral Debt Obligations and the characteristics of such loans, including the existence and frequency of exercise of any optional or mandatory redemption features, the prevailing level of interest rates, the redemption price, 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 by the Obligor of such loans. Any disposition of a Collateral Debt Obligation may change the composition and characteristics of the Collateral Debt Obligations 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.

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. Accordingly, actual results will vary from the projections, and such variations may be material. 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; and mismatches between the time of accrual and receipt of Interest Proceeds from the Collateral Debt Obligations. None of the Issuer, the Investment Manager, the Trustee, the Initial Purchaser, the Arranger, 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 Prospectus or to reflect the occurrence of unanticipated events.

2.16 Volatility of the Subordinated Notes

The Subordinated Notes represent a leveraged investment in the underlying Collateral Debt Obligations. Accordingly, it is expected that changes in the market value of the 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 Subordinated Noteholders' opportunities for gain and risk of loss. In certain scenarios, the Notes may not be paid in full, and the Subordinated Notes and one or more Classes of Rated Notes may be subject to a partial or a complete loss of invested capital. The 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 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 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 Subordinated Notes and/or one or more subordinate Classes of Rated Notes and cause temporary or permanent suspension of distributions to the Subordinated Notes and/or one or more subordinate Classes of Rated Notes. See 2.5 (*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*) above.

Issuer expenses (including investment 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 any particular Class of Notes will be higher because such expenses will be based on total assets of the Issuer.

2.17 A decrease in EURIBOR will lower the interest payable on the Notes and an increase in EURIBOR may indirectly reduce the credit support to the Notes

The Notes accrue interest at EURIBOR. On the Issue Date, the Notes will accrue interest at three month EURIBOR. During a Frequency Switch Period, the Notes will accrue interest at six month EURIBOR, provided that if a Frequency Switch Period will commence during the following Accrual Period the Notes will accrue interest at six month EURIBOR from the Interest Determination Date immediately prior to a Frequency Switch Period. If at the time of the Interest Determination Date immediately prior to a Frequency Switch Period it was not known that a Frequency Switch Period would commence during the following Accrual Period, the accrual of interest on the Notes at six month EURIBOR will commence from the Interest Determination Date immediately after the Frequency Switch Period begins.

The interest rate may fluctuate from one Accrual Period to another in response to changes in EURIBOR. The Subordinated Notes do not bear a stated rate of interest. EURIBOR has, in the past, experienced high volatility and significant fluctuations. It is possible that EURIBOR will continue to fluctuate and none of the Issuer, the Collateral Administrator, the Investment Manager, the Initial Purchaser, the Arranger or any of their respective Affiliates make any representation as to the level of EURIBOR in the future. Because the Rated Notes bear interest based upon three month EURIBOR, or six month EURIBOR during a Frequency Switch Period, as described in Condition 6(e) (*Interest on the Rated Notes*), there may be a basis mismatch between the Rated Notes and the underlying Collateral with interest rates based on an index other than EURIBOR, interest rates based on EURIBOR for a different period of time or even three month or six month EURIBOR for a different accrual period. In addition, not more than 10 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fixed Rate Collateral Debt Obligations. It is possible that EURIBOR payable on the Rated Notes may rise (or fall) during periods in which EURIBOR (or another applicable index) with respect to the various Collateral is stable or falling (or rising but capped at a level lower than EURIBOR for the Rated Notes). No assurance can be made that the portion of Floating Rate Collateral Debt Obligations of the Issuer that bear interest based on indices other than EURIBOR will not increase in the future. Some Collateral Debt Obligations, however, may have EURIBOR floor arrangements that may help mitigate this risk, but there is no requirement for any Collateral Debt Obligation to have a EURIBOR floor and there is no guarantee that any such EURIBOR floor will fully mitigate the risk of falling EURIBOR. If EURIBOR payable on the Rated Notes rises during periods in which EURIBOR (or another applicable index) with respect to the various Collateral Debt Obligations and Eligible Investments is stable or during periods in which the Issuer owns assets forming part of the Collateral bearing interest at a fixed rate, is falling or is rising but is capped at a lower level, “excess spread” (i.e., the difference between the interest collected on the Collateral and the sum of the interest payable on the Rated Notes and certain transaction fees payable by the Issuer) that otherwise would be available as credit support may instead be used to pay interest on the Rated Notes.

In circumstances where, during a Frequency Switch Period, the Payment Dates have become April and October each year (in accordance with the definition of “**Payment Date**”), the final Accrual Period prior to the Maturity Date will be a three month period, but the EURIBOR rate applicable to this final Accrual Period will be six month EURIBOR. As a result, depending on the difference between the offered rate for three month EURIBOR and the offered rate for six month EURIBOR, interest accrued during this final Accrual Period may be higher or lower than a three month Accrual Period to which three month EURIBOR was applicable.

There may also be a timing mismatch between the Rated Notes and the underlying Collateral Debt Obligations as EURIBOR (or other applicable index) on such Collateral Debt Obligations may adjust more frequently or less frequently, on different dates than EURIBOR on the Rated Notes. Such a mismatch could result in the Issuer not collecting sufficient Interest Proceeds to make interest payments on the Rated Notes. Although it is intended that the Issuer enters into Interest Smoothing, as further described herein, the Issuer may or may not enter into interest rate swap transactions to hedge any interest rate or timing mismatch. To the extent described herein, the Issuer may enter into Hedge Agreements to reduce the effect of any such interest rate mismatch. The Investment Manager shall only cause the Issuer to enter into a Hedge Agreement:

(a) either:

  (i) that complies with the Hedge Agreement Eligibility Criteria at the time of entry into such Hedge Agreement; or

  (ii) in respect of which, the Issuer obtains legal advice of reputable international legal counsel knowledgeable in such matters to the effect that the entry into such arrangements shall not in respect of a CPO, and should not in respect of a CTA, require any of the Issuer, its directors or officers or the Investment Manager or its Affiliates to register with the CFTC and/or the United States National Futures Association with respect to the Issuer as a CPO and/or a CTA; and

(b) unless and until the Issuer elects (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act, either:

  (i) complies with the Trading Requirements and the Hedge Agreement Eligibility Criteria; or

  (ii) in respect of which the Issuer obtains legal advice from reputable international legal counsel knowledgeable in such matters that the acquisition of or entry into such Hedge Agreement will not eliminate the Issuer's ability to rely on Rule 3a-7 under the Investment Company Act.

In addition, the Issuer will not acquire (whether by purchase or substitution) or dispose of a Collateral Debt Obligation unless the Trading Requirements are satisfied which includes a requirement that a Collateral Debt Obligation is not being acquired or disposed of for the primary purpose of recognising gains or decreasing losses resulting from market value changes; provided that on any date the Issuer (or the Investment Manager on its behalf) may elect (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption under 3(c)(7) of the Investment Company Act in which case, at all times thereafter, there will be no Trading Requirements and references to such requirements in the Transaction Documents shall no longer be in effect.

Even if the Issuer were to enter into one or more Hedge Agreements, there can be no assurance that the Collateral Debt Obligations and the Eligible Investments will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Rated Notes and to make distributions to the holders of the Subordinated Notes, nor that the Hedge Agreements will ensure any particular return on any such Notes.

2.18 Interest Rate Mismatch

Some Collateral Debt Obligations may permit the Obligor to re-set the interest period applicable to it from quarterly to semi-annual and vice versa. Interest Amounts are due and payable in respect of the Notes on a semi-annual basis during a Frequency Switch Period 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 mismatch, the Issuer will hold back a portion of the interest received on Collateral Debt Obligations which pay interest less than quarterly in order to make quarterly payments of interest on the Notes ("**Interest Smoothing**") (at all times other than during a Frequency Switch Period). There can be no assurance that Interest Smoothing will be sufficient to mitigate any timing mismatch.

There can be no assurance that the Collateral 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 Subordinated Notes.

2.19 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 upon the occurrence of an Event of Default on or about that date.

2.20 Withholding Tax on the Notes

Although no withholding tax is currently imposed on payments of interest on the Notes, there can be no assurance that the law will not change. In addition, the Issuer has the right to withhold up to 30 per cent. 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 (including any voluntary agreement entered into with a taxing authority pursuant thereto) or to certain FFIs that fail to enter into a FATCA agreement with the IRS. See further paragraph 1.19 "*Risk Factors - FATCA*" above.

In the event that any withholding tax or deduction for tax is imposed on payments of 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 properly subject to any withholding tax or deduction on account of tax, the Notes may be redeemed in whole but not in part at the direction of (a) the holders of each of the Controlling Class or the Subordinated Notes, in each case acting by way of Extraordinary Resolution, or (b) the Retention Holder, 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 Payments.

2.21 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. The Custodian will hold such assets which can be cleared through Euroclear in an account with Euroclear (the "**Euroclear Account**") unless the Trustee otherwise consents and will hold the other securities comprising the Portfolio which cannot be so cleared (i) through its accounts with Clearstream, Luxembourg and The Depository Trust Company ("**DTC**"), as appropriate, and (ii) 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 on trust for the Issuer and (ii) the Issuer's ancillary contractual rights against the Custodian in accordance with the terms of the Agency Agreement (as defined in the Conditions) 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.

On the Issue Date, the Issuer will grant a pledge pursuant to Belgian law over the Euroclear Account (the "**Euroclear Security Agreement**"). The effect of this security interest will be to enable the Custodian, on enforcement, to sell the securities in the Euroclear Account on behalf of the Trustee. The Euroclear Security Agreement will not entitle the Trustee to require delivery of the relevant securities from the depositary or depositaries that have physical custody of such securities or allow the Trustee to dispose of such securities directly.

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 Arranger, the Trustee, the Investment 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 Investment Management and Collateral Administration 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.

2.22 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.

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 66⅔ per cent. of the aggregate Principal Amount Outstanding 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 50 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable). Such 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.

Certain decisions, including the removal of the Investment Manager, instructing the Trustee to accelerate the Notes and instructing the Trustee to sell the Collateral following the acceleration of the Notes require authorisation solely by the Noteholders of a Class or Classes (acting by Extraordinary Resolution or Ordinary Resolution, as applicable).

Notes constituting the Controlling Class that are in the form of IM Non-Voting Notes or IM Exchangeable Non-Voting Notes will have no right to vote in connection with and will not be counted for the purposes of determining a quorum or the result of voting on any IM Removal Resolution or any IM Replacement Resolution. As a result, for so long as any of the Class A Notes, Class B Notes, Class C Notes and Class D Notes constitute the Controlling Class, only the Class A Notes, Class B Notes, Class C Notes and Class D Notes that are in the form of IM Voting Notes may vote and be counted in respect of an IM Removal Resolution or an IM Replacement Resolution.

Notes in the form of IM 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 IM Voting Notes will be entitled to vote to pass an IM Removal Resolution or an IM Replacement Resolution and the remaining percentage of the Controlling Class (in the form of IM Exchangeable Non-Voting Notes and/or IM Non-Voting Notes) will be bound by such Resolution.

Furthermore, investors should be aware that if the entirety of the Class A Notes which represent the most senior Class outstanding are held in the form of IM Exchangeable Non-Voting Notes and/or IM Non-Voting Notes, the holders of such Class will not be entitled to vote in respect of an IM Removal Resolution or IM Replacement Resolution, such right shall pass to a more junior Class of Notes in accordance with the definition of Controlling Class.

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

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 an IM Removal Resolution or an IM Replacement Resolution, such Class of Notes will not be entitled to vote in respect of such IM Removal Resolution or IM Replacement Resolution and such right shall pass to a more junior Class of Notes.

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.

Certain entrenched rights relating to the Terms and Conditions of the Notes including the currency thereof, Payment Dates applicable thereto, the Priorities of Payments, 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, among other things, 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, subject to prior notice thereof being given to the Trustee but without the consent of the Trustee or the Noteholders as set out in Condition 14(c) (*Modification and Waiver*).

2.23 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 Investment Manager for cause and

appointment of a successor investment manager involve the direction of holders of specified percentages of Subordinated Notes.

2.24 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 being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer and the Investment 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*) or 10(a)(vii) (*Illegality*), 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) it 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 (including, without limitation, Deferred Interest on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) other than the Subordinated Notes and all amounts payable in priority thereto pursuant to the Priorities of Payments;

(b) otherwise, in the case of an Event of Default specified in sub-paragraphs (i) (*Non-payment of Interest*), (ii) (*Non-payment of Principal*) or (iv) (*Collateral Debt Obligations*) of Condition 10(a) (*Events of Default*) the Controlling Class acting by way of Ordinary Resolution (and no other Class of Notes) may direct the Trustee to take Enforcement Action without regard to any other Event of Default which has occurred prior to, contemporaneously or subsequent to such Event of Default; or

(c) in the case of any other Event of Default, each Class of Rated Notes acting independently by way of Ordinary Resolution may direct the Trustee to take Enforcement Action (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction).

A failure to pay interest on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes or the Subordinated Notes as a result of the insufficiency of available Interest Proceeds or, with respect to the Subordinated Notes, Interest Proceeds or Principal Proceeds shall at no time constitute an Event of Default even if such Class is the Controlling Class.

The requirements described above could result in the Controlling Class being unable to procure 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 Payments and/or at a time when enforcement thereof may be adverse to the interests to certain Classes of Notes and, in particular, the Subordinated Notes.

2.25 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, Class F Notes or the Subordinated Notes, the assets of the Issuer could be considered to be assets of such Plans and certain of the transactions contemplated under such Notes could be considered "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code. See the section of this Prospectus entitled "*Certain ERISA Considerations*" below.

2.26 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.

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**") or a Noteholder is a Non-Permitted ERISA Holder, the Issuer shall, promptly after determination that such person is a Non-Permitted Holder or Non-Permitted ERISA Holder by the Issuer, send notice to such Non-Permitted Holder or Non-Permitted ERISA Holder (as applicable) 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 or Non-Permitted ERISA Holder (as applicable) within thirty calendar days (or fourteen calendar days in the case of a Non Permitted ERISA Holder) of the date of such notice. If such holder fails to effect the transfer required within such thirty-day period (or fourteen day period in the case of a Non Permitted ERISA Holder):

(a) upon direction from the Issuer or the Investment Manager on its behalf, a Transfer Agent, on behalf of and at the expense of the Issuer, shall cause such beneficial interest to be transferred in a commercially reasonable sale 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 is not a Non-Permitted ERISA Holder; and

(b) pending such transfer, no further payments will be made in respect of such beneficial interest.

In addition under FATCA, the Issuer may be required to, among other things, provide certain information about the Noteholders to a taxing authority (see further 1.19 (*FATCA*) above). The Issuer also may force the sale of a Noteholder's Notes in order to comply with FATCA, including Notes held by a Noteholder that fails to provide the required information or if the Issuer otherwise reasonably determines that a Noteholder's acquisition or holding of an interest in such a Note would cause the Issuer to be unable to qualify as, and comply with any obligations or requirements imposed on, a "Participating FFI" within the meaning of U.S. Treasury Regulation Section 1.1471-1(b)(85) or a "deemed-compliant FFI" within the meaning of U.S. Treasury Regulation Section 1.1471-5(f) (and such sale could be for less than its then fair market value). For these purposes, the Issuer shall have the right to sell a Noteholder's interest in its Notes in its entirety notwithstanding that the sale of only a portion of such an interest would permit the Issuer to comply with FATCA. If the Issuer is required to sell the Notes, the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly transact in securities and selling such 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, by its acceptance of an interest in the Notes agrees to co-operate with the Issuer and the Trustee to effect such transfers. The terms and conditions of any such transfer shall be determined in the sole discretion of the Issuer subject to the transfer restrictions set out in this Prospectus and the Trust Deed, and neither the Issuer nor the Trustee 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.

2.27 U.S. Tax Characterisation of the Notes

The Issuer intends to agree and, by its acceptance of a Rated Note, each holder 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 and for certain limited purposes (as described in "*Tax Considerations - United States Federal Income Taxation*"). The determination of whether a Note will 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 as something other than indebtedness any particular Class or Classes of the Rated Notes.

The Issuer intends to agree and, by its acceptance of a Subordinated Note, each holder will be deemed to have agreed, to treat such Subordinated Note as equity in the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law

3. RELATING TO THE COLLATERAL

3.1 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 Investment Manager), on the Eligibility Criteria which each Collateral Debt Obligation is required to satisfy, as disclosed in this Prospectus, 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 as at the Determination Date preceding the second Payment Date) and in each case (save as described herein) thereafter. This Prospectus 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 Investment 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.

None of the Issuer or 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 Investment Manager, the Retention Holder, 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 Investment Manager, the Collateral Administrator, any Hedge Counterparty, the Agents, the Retention Holder, the Initial Purchaser, the Arranger, 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.

3.2 Nature of Collateral; Defaults

The Issuer will invest in a portfolio of Collateral Debt Obligations consisting at the time of acquisition of predominantly Secured Senior Loans, Secured Senior Bonds, Corporate Rescue Loans, Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations, 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 Prospectus.

Due to the fact that the Subordinated Notes represent a leveraged investment in the underlying Collateral Debt Obligations, it is anticipated that changes in the market value of the Subordinated Notes will be greater than changes in the market value of the underlying Collateral Debt Obligations.

The offering of the Notes has been structured so that the Notes are assumed to be able to withstand certain assumed losses relating to defaults on the underlying Collateral Debt Obligations. See the "*Ratings of the Notes*" section of this Prospectus. There is no assurance that actual losses will not exceed such assumed losses. If any losses exceed such assumed levels, payments on the Notes could be adversely affected by such defaults. 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 Investment Manager (on behalf of the Issuer) to acquire or dispose of Collateral Debt Obligations at a price and time that the Investment 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 Investment 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 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 Payments. 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 Investment Manager and/or, prior to the Issue Date, the Initial Purchaser may have with investors, and there is no assurance that:

(i) any investor would have agreed with any views regarding the initial proposed portfolio that are expressed by another investor in such discussions;

(ii) any other investor involved in such discussions did not have interests adverse to the Noteholders, including by virtue of it having taken a short position (for example, by buying protection under a credit default swap) relating to obligations or securities included in the Portfolio;

(iii) 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 Investment 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 Investment Manager or the Initial Purchaser and such investors;

(iv) 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

(v) 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 Investment Manager will have the ultimate sole authority to select, and sole responsibility for selecting, the Collateral Debt Obligations within the parameters of the Investment Management and Collateral Administration 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 has not and will not determine the composition of the collateral pool outside of the Warehouse Arrangements.

3.3 Acquisition of Collateral Debt Obligations Prior to the Issue Date

On behalf of the Issuer, the Investment 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 Warehouse Arrangements were provided by a senior lender and a number of junior lenders (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 Investment 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 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 which may occur between the date on which the Issuer first acquired a Collateral Debt

Obligation and 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 will be paid to the Warehouse Providers 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 but will not 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.

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.

The requirement that the Eligibility Criteria be satisfied applies only at the time that any commitment to purchase a Collateral Debt Obligation is entered into and any failure by such obligation to satisfy the Eligibility Criteria at a later stage will not result in any requirement to sell it or take any other action.

3.4 Considerations Relating to the Initial Investment Period

During the Initial Investment Period, the Investment Manager on behalf of the Issuer, will seek to acquire additional Collateral Debt Obligations in order to satisfy each of the Coverage Tests (other than the Interest Coverage Tests, which are required to be satisfied as of the Determination Date immediately preceding the second Payment Date), the Collateral Quality Tests, Portfolio Profile Tests and Target Par Amount requirement as at the Effective Date. See "*The Portfolio*" section of this Prospectus. The ability to satisfy such tests and requirement will depend on a number of factors beyond the control of the Issuer and the Investment 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 Asset Swap Transactions upon the acquisition of Non-Euro Obligations will depend upon a number of factors outside the control of the Investment Manager, including its ability to identify a suitable Asset Swap Counterparty with whom the Issuer may enter into Asset Swap Transactions. 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 Investment Manager (on behalf of the Issuer) to acquire such additional Collateral Debt Obligations and/or enter into required Asset Swap 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 Subordinated Notes to the other Classes of Notes which could adversely affect the level of returns to the holders of the Subordinated Notes. Any such redemption of the Notes may also adversely affect the risk profile of Classes of Notes in addition to the 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.

3.5 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 Loans, Secured Senior Bonds, Corporate Rescue Loans, Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations 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 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 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 Payments.

Characteristics of Senior Loans, Secured Senior Bonds 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 Loans and Secured Senior Bonds in aggregate (which shall comprise for this purpose 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). Senior Loans, Secured Senior Bonds and Mezzanine Obligations 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. Secured Senior Loans, Secured Senior Bonds and Unsecured Senior Obligations are typically at the most senior level of the capital structure with Second Lien Loans being subordinated thereto and Mezzanine Obligations being subordinated to any Senior Loans or to any other senior debt of the Obligor. Secured Senior Loans and Secured Senior Bonds 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 may have the benefit of a second priority charge over such assets. Unsecured Senior Obligations do not have the benefit of such security. Secured Senior Loans 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.

Secured Senior Bonds typically bear interest at a fixed rate. Risks associated with fixed rate obligations are discussed at "*Risk Factors - Relating to the Collateral - Interest Rate Risk*" below. Additionally, Secured 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 Secured 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 Investment Management and Collateral Administration Agreement from voting on certain matters, particularly extensions of maturity, which may be considered at a bondholder meeting. Consequently, material terms of a Secured 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 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.

The majority of Senior Loans 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 Loan 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 Loans, Secured Senior Bonds 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 Loan, Secured Senior Bond 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 Loan, Secured Senior Bond or Mezzanine Obligation may share many similar features with other loans and obligations of its type, the actual term of any Senior Loan, Secured Senior Bond 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 Loans, Mezzanine Obligations and Secured Senior Bonds

In order to induce banks and institutional investors to invest in a Senior Loan or 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 including such Senior Loan or Mezzanine Obligation, and the private syndication of the loan, Senior Loans 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 Loans 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 investment 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 Loans, resulting in increased disposal risk for such obligations.

Secured 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.

Increased Risks for Mezzanine Obligations

The fact that Mezzanine Obligations are generally subordinated to any Senior Loan 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 Loans. 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.

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. Secured Senior Bonds may include obligor call or prepayment features, with or without a premium or make-whole. 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.

Credit Risk

Risks applicable to Senior Loans and Mezzanine 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 loans 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.

Defaults and Recoveries

There is limited historical data available as to the levels of defaults and/or recoveries that may be experienced on Senior Loans, Secured Senior Bonds, Mezzanine Obligations and Second Lien Loans and no assurance can be given as to the levels of default and/or recoveries that may apply to any Senior Loans, Secured Senior Bonds and Mezzanine Obligations purchased by the Issuer. As referred to above, although any particular Senior Loan,

Secured Senior Bonds, Mezzanine Obligation or Second Lien Loan often will share many similar features with other loans and obligations of its type, the actual terms of any particular Senior Loan, Secured Senior Bond, Mezzanine Obligation or Second Lien Loan 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 both Senior Loans, Secured Senior Bonds, Mezzanine Obligations and Second Lien Loans 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 is uncertain. Furthermore, the holders of Senior Loans 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 Loans 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, an extension of the 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 Loans, Secured Senior Bonds 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 3.18 (*Insolvency Considerations relating to Collateral Debt Obligations*) below.

Investing in Cov-Lite Loans involves certain risks

The Issuer or the Investment Manager acting on its behalf 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.

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 3.18 (*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 Investment 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 a 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.

3.6 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 Investment 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 Investment Management and Collateral Administration Agreement.

The Investment Manager may, in accordance with its portfolio management practices and subject to the Trust Deed and the Investment Management and Collateral Administration 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.

3.7 Participations, Novations and Assignments

The Investment 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**". An interest in a loan acquired directly by way of novation or assignment is referred to herein as an "**Assignment**". An interest in a loan taken indirectly by way of sub participation is referred to herein as a "**Participation**".

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. 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.

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

3.8 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.

3.9 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 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 European Obligors.

3.10 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 the Balance standing to the credit of the Collateral Enhancement 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 Subordinated Notes which the Investment Manager, acting on behalf of the Issuer, determines shall be paid into the Collateral Enhancement Account pursuant to the Priorities of Payments rather than being paid to the Subordinated Noteholders. The aggregate amount which may be credited to the Collateral Enhancement Account in accordance with the Priorities of Payments are subject to the following caps:

(a) in aggregate on any particular Payment Date, such amount may not exceed €1,000,000; and

(b) the cumulative maximum aggregate total in respect of all Payment Dates may not exceed €2,000,000.

The Investment 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 Collateral Enhancement 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 Investment 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 Collateral Enhancement 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 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, Portfolio Profile Tests or Collateral Quality Tests.

3.11 Counterparty Risk

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. Each such counterparty is 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 remedy 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 (at the expense of the Account Bank or Custodian, as the case may be) 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 and which is acceptable to the Trustee within 30 days of such withdrawal or downgrade.

3.12 Concentration Risk

The Issuer will invest in a Portfolio of Collateral Debt Obligations consisting, of Secured Senior Loans, Secured Senior Bonds, Corporate Rescue Loans, Mezzanine Obligations Unsecured Senior Obligations Second Lien Loans and High Yield Bonds. 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 Prospectus.

3.13 Interest Rate Risk

The Rated Notes bear interest at a floating rate based on EURIBOR. It is possible that Collateral Debt Obligations (in particular Secured 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 10 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 and/or a floating rate basis mismatch between the Notes 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 Investment Management and Collateral Administration Agreement, the Investment 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 paragraphs 1.9 "*Risk Factors – EMIR*" and 1.11 "*Risk Factors - The Dodd-Frank Act and proposed changes to Regulation AB*" 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. See also paragraph 2.17 above "*Risk Factors - A decrease in EURIBOR will lower the interest payable on the Notes and an increase in EURIBOR may indirectly reduce the credit support to the Notes*".

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 during a Frequency Switch Period and on a quarterly basis at all other times. See also paragraph 2.18 above "*Risk Factors - Interest Rate Mismatch*".

There may be a timing mismatch between the Rated Notes and the Collateral Debt Obligations as the interest rate on such Rated 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 Rated 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 Rated Notes. 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 Subordinated Notes.

3.14 Non-Euro Obligations and Asset Swap Transactions

Currency Risk

The Portfolio Profile Tests provide that up to 30 per cent. of the Aggregate Collateral Balance may comprise Non-Euro Obligations. The percentage of the Portfolio that is comprised of these types of 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 Asset Swap Transactions, it is not required that all Non-Euro Obligations must be Asset Swap Obligations, and some may be Unhedged Collateral Debt Obligations. Accordingly, fluctuations in the Euro exchange rate for currencies in which Non-Euro Obligations are denominated 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 Issuer's ongoing payment obligations under the Asset Swap 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 increase the risk of a mismatch between the Non-Euro Obligations and the Notes. This may cause losses. The Investment 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 Investment Management and Collateral Administration 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 Euro exchange rates.

The Issuer will depend upon the Asset Swap Counterparty to perform its obligations under any hedges. If the Asset Swap 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 the Asset Swap Counterparty to cover its foreign exchange exposure. See paragraph 3.11 "*Risk Factors - Counterparty Risk*" above.

3.15 Trading Requirements

So long as the Issuer is relying on the exclusion from the Investment Company Act provided by Rule 3a-7 it will not acquire or dispose of a Collateral Debt Obligation unless certain conditions are met (the "**Trading Requirements**") which include that:

(a) the acquisition or disposal of Collateral Debt Obligations for the primary purpose of recognising gains or decreasing losses from market value changes is not permitted; and

(b) any additional purchase or sale of Eligible Assets is permitted only if the purchase or sale does not result in a downgrading of the Issuer's outstanding Notes. This could prevent the Issuer from selling assets that the Investment Manager expects may decline in value or from reinvesting principal payments or sale proceeds in Collateral Debt Obligations.

3.16 Reinvestment Risk/Uninvested Cash Balances

To the extent the Investment 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 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 Investment Manager will have discretion to dispose of certain Collateral Debt Obligations 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 Investment Manager will seek, to invest the proceeds thereof in Substitute

Collateral Debt Obligations, subject to the Reinvestment Criteria. 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 Investment 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 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 Subordinated Notes on the first Payment Date.

3.17 Ratings on Collateral Debt Obligations

The Collateral Quality Tests, the Portfolio Profile Tests and the Coverage Tests 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, an S&P CCC Obligation or Caa Obligation (and therefore potentially subject to haircuts in the determination of the Par Value Tests and restriction in the Portfolio Profile Tests) or a Defaulted Obligation. The Investment Management and Collateral Administration 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 most cases, the Moody's Rating and 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. Such confidential credit estimates are private and therefore not capable of being disclosed to Noteholders. In addition, some ratings will be derived by the Investment 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 Investment 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 or the 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*" section of this Prospectus.

3.18 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.

The different insolvency regimes applicable in the different European jurisdictions result in a corresponding variability of recovery rates for Senior Loans, Secured Senior Bonds, Corporate Rescue Loans, Mezzanine Obligations and High Yield Bonds entered into by Obligors in such jurisdictions. No reliable historical data is available.

3.19 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 Investment 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 intend to engage in, and the Investment 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 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.

3.20 Changes in Tax Law; No Gross Up; General

At the time when they are acquired by the Issuer, the 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 except with respect to FATCA or, if and to the extent that any such withholding tax does apply, either such withholding tax can be sheltered by application being made under a double tax treaty or otherwise or 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, the payments on the Collateral Debt Obligations might not in the future become subject to withholding tax or increased withholding 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 Netherlands and the jurisdiction from which the relevant payment is made;

(b) the current applicable law in the jurisdiction of the relevant Obligor; or

(c) the fact that the Issuer has taken a Participation in such Collateral Debt Obligations from a Selling Institution which is able to pay interest payable under such Participation gross if paid in the ordinary course of its business.

If 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 Issuer will be subject to UK corporation tax if and only if it:

(a) is tax resident in the UK; or

(b) 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 the central management and control of the Issuer is in The Netherlands. The Managing Directors intend to conduct the affairs of the Issuer in such a manner so that it does not become resident in the UK for taxation purposes.

The Issuer will be regarded as having a permanent establishment in the UK if it has a place of business in the UK or it has an 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 place of business in the UK. The Investment Manager will, however, have and is expected to exercise authority to do business on behalf of the Issuer.

The Issuer should not be subject to UK tax in consequence of the activities which the Investment 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 Investment Manager for the purposes of UK taxation, it will not be subject to UK tax if the domestic UK tax exemption for profits generated in the UK by an investment manager on behalf of its non-resident clients (section 1146 of the Corporation Tax Act 2010) applies. This domestic exemption will be available in the context of this transaction if, amongst other conditions, the Investment Manager (and certain connected entities) holds no more than 20 per cent. of the Subordinated Notes (the Investment Manager covenants under the Investment Management and Collateral Administration Agreement that the 20 per cent. requirement will be satisfied). If this domestic exemption is not available, the Issuer may nonetheless be able to rely on Article 7(1) of the UK-Netherlands tax treaty to exclude a charge to UK tax on its profits resulting from the agency of Investment Manager, provided that the Investment Manager is regarded as an independent agent acting in the ordinary course of its business for the purpose Article 5(6) of the UK-Netherlands tax treaty.

Should the Investment Manager be assessed to UK tax on behalf of the Issuer, it will 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 under the Priorities of Payment. It should be noted that UK tax legislation makes it possible for H.M. Revenue & Customs to seek to assess the Issuer to UK tax directly rather than through the Investment Manager as its UK representative. Should the Issuer be assessed on this basis, the Issuer will be liable to pay such amounts in accordance with the Priorities of Payment, as applicable, as UK tax on its UK taxable profit attributable to its UK activities. The Issuer would also be liable to pay UK tax on its UK taxable profits in the unlikely event that it were treated as being tax resident in the UK.

3.21 OECD Action Plan on Base Erosion and Profit Shifting

At a meeting in Paris on 29 May 2013, the Organisation for Economic Co-operation and Development ("**OECD**") Council at Ministerial Level adopted a declaration on base erosion and profit shifting urging the OECD's Committee on Fiscal Affairs to develop an action plan to address base erosion and profit shifting in a comprehensive manner. In July 2013, the OECD launched an Action Plan on Base Erosion and Profit Shifting, identifying 15 specific actions to achieve this.

One of the action points (Action 6) is to prevent treaty abuse by developing model treaty provisions to prevent the granting of treaty benefits in inappropriate circumstances. On 16 September 2014, the OECD published its recommendations in respect of this action point and a discussion draft was published on 21 November 2014. As a minimum, the OECD recommended that countries should include in their tax treaties one or both of a "limitation-on-benefits" provision and a "principal purposes test" provision.

A "limitation-on-benefits" provision would limit the benefits of treaties, in the case of companies and in broad terms, to (i) certain publicly listed companies and their subsidiaries, (ii) certain not for-profit organisations and companies which carry on a pensions business; (iii) companies owned by persons who would be eligible for treaty benefits provided that the majority of the company's gross income is not paid to a third country in a tax deductible form; (iv) companies engaged in the active conduct of a trade or business (other than of making or managing investments) and (iv) companies which were not established in a particular jurisdiction with a principal purpose of obtaining treaty benefits.

A "principal purposes test" could deny a treaty benefit (such as reduced rates of withholding tax) if it is reasonable to conclude, having regard to all facts and circumstances, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit.

The OECD notes however that "[f]urther work is also needed with respect to the implementation of the minimum standard and with respect to the policy considerations relevant to treaty entitlements of collective investment vehicles ("**CIVs**") and non-CIV funds".

Another action point (Action 7) is to develop changes to the treaty definition of a permanent establishment and the scope of the exemption for an "agent of Independent status" to prevent the artificial avoidance of having a permanent establishment in a particular jurisdiction. As yet no recommendations have been issued in respect of this action point, although a discussion draft was published on 31 October 2014.

The OECD Action Plan on Base Erosion and Profit Shifting notes the need for a swift implementation of these measures and suggests that these two action points, amongst others, could be implemented by way of multilateral instrument, rather than by way of the more protracted process of negotiating and amending individual tax treaties.

The recommendations for action point 6 (in particular in relation to its application to CIVs and non-CIV funds) are subject to further work. Action point 7 is subject to public consultation. It is not clear what form the final recommendations of the OECD will take. Once the final recommendations are given, it is not clear whether, when, how and to what extent particular jurisdictions will decide to adopt the recommendations in respect of these and other action points.

As noted above, whether the Issuer will be subject to UK corporation tax may (if the domestic exemption in Section 1146 of the Corporation Tax Act 2010 is not available) depend on whether the Collateral Manager is regarded as an agent of independent status acting in the ordinary course of its business for the purpose of Article 5(6) the UK-Netherlands double tax treaty. However, it is not clear what form the final recommendations of the

OECD on BEPS will take and what impact they will have on the UK-Netherlands double tax treaty, in large part because it is not clear to what extent (and on what timeframe) particular jurisdictions (such as the UK and The Netherlands) will decide to adopt any recommendations. The implementation of the recommendations could, depending on their scope, result in the Issuer being denied the benefit of the UK-Netherlands double tax treaty. In either case, this could have a material adverse effect on the Issuer's business, tax and financial position.

3.22 Investment Manager

The Investment Manager is given authority in the Investment Management and Collateral Administration Agreement to act as Investment Manager to the Issuer in respect of the Portfolio pursuant to and in accordance with the parameters and criteria set out in the Investment Management and Collateral Administration Agreement. See "*The Portfolio*" and "*Description of the Investment Management and Collateral Administration Agreement*" sections of this Prospectus. The powers and duties of the Investment Manager in relation to the Portfolio include effecting, on behalf of the Issuer, in accordance with the provisions of the Investment Management and Collateral Administration 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); and

(c) the participation in restructuring and work-outs of Collateral Debt Obligations on behalf of the Issuer. See "*The Portfolio*" section of this Prospectus. Any analysis by the Investment 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 Investment Manager (on behalf of the Issuer) will be in accordance with standard review procedures 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 Investment Manager has non-public information, such analysis will include due diligence of the kind common in relation to senior and mezzanine loans of such kind (as more fully set out in the Investment Management and Collateral Administration Agreement).

In addition, the Investment Management and Collateral Administration Agreement places significant restrictions on the Investment Manager's ability to buy and sell Collateral Debt Obligations, and the Investment Manager is required to comply with the restrictions contained in the Investment Management and Collateral Administration Agreement. Accordingly, during certain periods or in certain specified circumstances, the Investment 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 the restrictions set forth in the Investment Management and Collateral Administration Agreement.

The Issuer is a newly formed entity and has no operating history or performance record of its own. The actual performance of the Issuer will depend on numerous factors which are difficult to predict and may be beyond the control of the Investment 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 Investment 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 Investment Manager or Affiliates of the Investment 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 Investment Manager in analysing, selecting and managing the Collateral Debt Obligations. There can

be no assurance that such key personnel currently associated with the Investment 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 Investment Manager may resign or be removed in certain circumstances as described herein under "*Description of the Investment Management and Collateral Administration Agreement*".

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

3.23 No Initial Purchaser or Arranger Role Post-Closing

The Initial Purchaser and the Arranger take no responsibility for, and have no obligations in respect of, the Issuer and will have no obligation to monitor the performance of the Portfolio or the actions of the Investment Manager or the Issuer and no authority to advise the Investment Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Investment Manager and the Issuer. If the Initial Purchaser, the Arrangers or any of their respective Affiliates owns Notes, it 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.

3.24 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 €439,963,100. Such proceeds will be used by the Issuer for the repayment of any amounts borrowed by the Issuer under the Warehouse Arrangements (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 First Period Reserve Account. 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 (as defined in the Conditions). The Investment 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, compliance with the Reinvestment Criteria and the other requirements of the Investment Management and Collateral Administration Agreement. The failure or inability of the Investment 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.

Under the Investment Management and Collateral Administration Agreement and as described herein, the Investment 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 Equity 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 Investment Management and Collateral Administration Agreement, sales and purchases by the Investment 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 Subordinated Notes and then by holders of the Rated Notes, beginning with the most junior Class.

In addition, circumstances may exist under which the Investment 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 Investment Management and Collateral Administration Agreement.

3.25 Adverse Effect of Determination of U.S. Trade or Business

It is intended that the Issuer will not operate so as to be engaged in a trade or business in the United States for U.S. federal income tax purposes and, accordingly, will not be subject to U.S. federal income taxes on its net income. If the IRS were to successfully assert that the Issuer is engaged in a U.S. trade or business, 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.

3.26 Regulatory Risk related to Lending

In many jurisdictions, especially in Continental Europe, engaging in lending activities "in" certain jurisdictions whether conducted via the granting of loans, purchases of receivables, discounting of invoices, guarantee transactions or otherwise (collectively, "**Lending Activities**") is generally considered a regulated financial activity and, accordingly, must be conducted in compliance with applicable local banking laws. 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 Lending Activities in such jurisdictions.

As such, Collateral Debt Obligations may be subject to these local law requirements. 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.

3.27 Valuation Information; Limited Information

None of the Initial Purchaser, the Investment 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 Investment Manager) will be required to provide any information other than what is required in the Trust Deed or the Investment Management and Collateral Administration 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 Investment 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.

4. CERTAIN CONFLICTS OF INTEREST

The following briefly summarises certain potential and actual conflicts of interest which may arise from the overall investment activity of the Investment Manager, its clients and its Affiliates, but is not intended to be an exhaustive list of all such conflicts.

Past performance of Investment Manager not indicative

The past performance of the Investment Manager and principals or Affiliates thereof in managing other portfolios or investment vehicles may not be indicative of the results that the Investment Manager may be able to achieve with the Collateral Debt Obligations. Similarly, the past performance of the Investment 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 Investment 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 Investment 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 Investment Manager and principals and Affiliates thereof.

The Issuer will depend on the managerial expertise available to the Investment 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 Investment 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 of the Issuer will depend, in large part, on the financial and managerial expertise of the Investment 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 Investment Manager. If one or more of the investment professionals of the Investment Manager were to leave the Investment Manager, the Investment 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 Investment Manager*" and "*Description of the Investment Management and Collateral Administration Agreement*".

Certain Conflicts of Interest Involving the Investment Manager and its Affiliates

The Investment Manager will (in its capacity as Retention Holder) on the Issue Date subscribe for, hold and retain, from the Issue Date, on an ongoing basis, not less than 5 per cent. of the nominal value of each Class of Notes on the Issue Date provided that (i) if Alcentra Limited is removed as Investment Manager and none of its Affiliates are appointed as successor Investment Manager, then it (or any of its Affiliates to which the Retention Notes have been transferred in accordance with paragraph (ii) below), may dispose of the Retention Notes provided that such transfer is permitted in accordance with the Retention Requirements and provided that such transfer would not cause the transaction described in this Prospectus to cease to be compliant with the Retention Requirements; and (ii) the Investment Manager may at any time transfer the Retention Notes to an Affiliate which is part of the same consolidated accounting group as the Investment Manager provided that such transfer is permitted in accordance with the Retention Requirements and provided that such transfer would not cause the transaction described in this Prospectus to cease to be compliant with the Retention Requirements provided further that if at any time following (and as a consequence of) such transfer it is necessary to ensure compliance with the Retention Requirements, the Investment Manager shall procure that the Retention Notes are re-transferred to itself or any other entity permitted under the Retention Requirements at such time. The Investment Manager and its employees, clients and Affiliates may buy additional Notes at any time, from which the Investment Manager or such employees, clients or Affiliates may derive revenues and profits in addition to the fees disclosed herein. There will be no restriction on the ability of the Investment Manager or any Affiliate of the Investment Manager, any director, officer or employee of such entities or any fund or account for which the Investment Manager or its Affiliates exercises discretionary voting authority on behalf of such fund or account in respect of the Notes (an "**Investment Manager Related Person**"), the Retention Holder, the Collateral Administrator, or any of their respective Affiliates or employees to purchase the Notes (either upon initial issuance or through secondary transfers) and to exercise any voting rights to which such Notes are entitled (except that Notes held by the Investment Manager and any Investment Manager Related Person shall be disregarded with respect to voting rights in connection with the removal of the Investment Manager and as otherwise described in the Trust Deed and the Investment Management and Collateral Administration Agreement).

If an Optional Redemption, redemption following a Note Tax Event or an acceleration of the Notes after an Event of Default occurs, the Investment Manager has the right to bid on all or a portion of the Collateral Debt Obligations for its own account, the account of any Affiliate or an account that it manages, subject to the satisfaction of the requirements set forth in the Trust Deed.

The Investment Manager is entitled to the Senior Investment Management Fee, the Subordinated Investment Management Fee and, in certain circumstances, the Junior Investment Management Fee in the priorities set forth herein, subject to the Priorities of Payment as described herein and the availability of funds therefor. Pursuant to the Priorities of Payment and the Investment Management and Collateral Administration Agreement, the Investment Manager may elect to (x) permanently waive (including pursuant to the Investment Management and Collateral Administration Agreement), (y) designate for reinvestment or (z) defer payment of all or a part of the Senior Investment Management Fee and (x) permanently waive (including pursuant to the Investment Management and Collateral Administration Agreement) or (y) defer payment of all or a part of the Subordinated Investment Management Fee due to be paid to it on a Payment Date. Any due and unpaid Investment Management Fees, including Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts, shall not accrue any interest. Any amounts so permanently waived will cease

to be due and payable as Senior Investment Management Fees or Subordinated Investment Management Fees and will not become due and payable as Senior Investment Management Fees or Subordinated Investment Management Fees at any time. The deferral or permanent waiver by the Investment Manager of Senior Investment Management Fees or Subordinated Investment Management Fees could provide incentive for the Investment Manager to make more speculative investments in the Collateral Debt Obligations on behalf of the Issuer than would otherwise be the case and by reason of the Junior Investment Management Fee, the Investment Manager may have a conflict between its obligation to manage the Portfolio prudently and the financial incentive created by such fees for the Investment Manager to make investments that are riskier or more aggressive than would be the case in the absence of such fees.

Although the Investment Manager and certain of its officers and employees will devote such time and effort as may be reasonably required to enable the Investment Manager to discharge its duties to the Issuer under the Investment Management and Collateral Administration Agreement, they will not devote all of their working time to the affairs of the Issuer. As part of their regular business, the Investment Manager, its Affiliates and their respective officers and employees hold, purchase, sell, trade or take other related actions both for their respective accounts and for the accounts of their respective clients, on a principal or agency basis, with respect to loans, securities and other investments and financial instruments of all types. The Investment Manager, its Affiliates and their respective officers and employees also provide investment advisory services, among other services. The Investment Manager, its Affiliates and their respective officers and employees will not be restricted in their performance of any such services or in the types of debt or equity investments which they may make. The Investment Manager, its Affiliates and their respective officers and employees may have economic interests in or other relationships with issuers in whose obligations or securities or credit exposures the Issuer may invest. In particular, such persons may make and/or hold an investment in an issuer's securities that may be *pari passu*, senior or junior in ranking to an investment in such issuer's securities made and/or held by the Issuer or in which partners, security holders, officers, directors, agents or employees of such persons serve on boards of directors or otherwise have ongoing relationships. Each of such ownership and other relationships may result in securities laws restrictions on transactions in such securities by the Issuer and otherwise create conflicts of interest for the Issuer. In such instances, the Investment Manager, its Affiliates and their respective officers and employees may in their discretion make investment recommendations and effect investment decisions that may be the same as or different from those made with respect to the Issuer's investments. In connection with any such activities described above, the Investment Manager, its Affiliates and their respective officers and employees may hold, purchase, sell, trade or take other related actions in securities or investments of a type that may be suitable to be included as Collateral Debt Obligations. The Investment Manager, its Affiliates and their respective officers and employees will not be required to offer such securities or investments to the Issuer or provide notice of such activities to the Issuer.

The Investment Manager, its clients, its partners, its members or their employees and their Affiliates ("**Related Entities**") have invested and may continue to invest in debt obligations that would also be appropriate as Collateral Debt Obligations and may purchase or sell securities and loans for or on behalf of themselves and their managed accounts without purchasing or selling such securities or loans for the Issuer and may purchase or sell securities or loans for the Issuer without purchasing or selling such securities or loans for themselves or their managed accounts, subject to any restrictions applicable in the Investment Advisers Act. Neither the Investment Manager nor any Related Entity has any duty, in making or maintaining such investments, to act in a way that is favourable to the Issuer or to offer any such opportunity to the Issuer. The investment policies, fee arrangements and other circumstances applicable to such other parties may vary from those applicable to the Issuer. The Investment Manager and its Related Entities may also have or establish relationships with companies whose debt obligations are Collateral Debt Obligations and may now or in the future own or seek to acquire equity securities or debt obligations issued by issuers of Collateral Debt Obligations, and such debt obligations may have interests different from or adverse to the debt obligations that are Collateral Debt Obligations. The Investment Manager and/or any Related Entity may in the future organise and manage one or more entities with objectives similar to or different from those of the Issuer. In addition, the Investment Manager and any of its Related Entities may serve as a general partner and/or manager of limited partnerships or other entities organised to issue notes or certificates, similar to the Notes, which are secured by high-yield debt securities, loans and other investments, or may manage third party accounts which invest in high-yield debt securities, loans and other investments. The Investment Manager and/or any Related Entity may also provide other advisory services for a fee to issuers whose debt obligations or other securities are Collateral Debt Obligations, and neither the Noteholders nor the Issuer shall have any right to such fees. In connection with the foregoing activities the Investment Manager and/or any Related Entity may from time to time come into possession of material non-public information that limits the ability of the Investment Manager to effect a transaction for the Issuer, and the Issuer's investments may be constrained as a consequence of the Investment

Manager's inability to use such information for advisory purposes or otherwise to effect transactions that otherwise may have been initiated on behalf of its clients, including the Issuer. See "*The Investment Manager*".

Furthermore, the Investment Manager's ability to buy obligations (on behalf of the Issuer) for inclusion in the Portfolio or sell obligations which are part of the Portfolio may be restricted by limitations contained in the Investment Management and Collateral Administration Agreement and the Trust Deed. Accordingly, during certain periods or in certain specified circumstances, the Investment Manager (on behalf of the Issuer) may be unable to buy or sell obligations or to take other actions that the Investment Manager might consider in the best interest of the Issuer and the Noteholders. The Investment Manager and any of its Affiliates may engage in any other business and furnish investment management and advisory services to others, which may include, without limitation, serving as investment manager for, investing in, lending to, or being Affiliated with, other entities organised to issue collateralised bond or debt obligations secured by securities such as the Notes and other trusts and pooled investment vehicles that acquire interests in, provide financing to, or otherwise deal with securities issued by, issuers that would be suitable investments for the Issuer. The Investment Manager will be free, in its sole discretion, to make recommendations to others, or effect transactions on behalf of itself or for others, that may be the same as or different from those effected on behalf of the Issuer, and the Investment Manager may furnish investment management and advisory services to others who may have investment policies similar to those followed by the Investment Manager with respect to the Issuer and who may own securities which are the same type as the Collateral Debt Obligations.

The Investment Manager may, to the extent permitted under applicable law, and subject to compliance with the applicable provisions of the Investment Management and Collateral Administration Agreement, effect client cross-transactions where the Investment Manager causes a transaction to be effected between the Issuer and other fund(s) or account(s) advised by it or any of its Affiliates. In addition, with the prior authorisation of the Issuer, which can be revoked at any time, the Investment Manager may enter into agency cross-transactions where it or any of its Affiliates acts as broker for the Issuer and for the other party to the transaction, to the extent permitted under applicable law and subject to compliance with the applicable provisions of the Investment Management and Collateral Administration Agreement, in which case any such Affiliate will receive commissions from, and have a potentially conflicting division of loyalties and responsibilities regarding, both parties to the transaction. In addition, subject to compliance with the applicable provisions of the Investment Management and Collateral Administration Agreement, the Investment Manager may, to the extent permitted by applicable law, effect transactions between the Issuer and the Investment Manager and/or any of its Affiliates as principal and/or any fund or account for which the Investment Manager or any Affiliate of the Investment Manager serves as investment adviser or investment manager.

The Investment Manager may make recommendations and effect transactions on behalf of its Related Entities which differ from those effected with respect to the Collateral Debt Obligations. The Investment Manager may often be seeking simultaneously to purchase or sell investments for the Issuer, itself and similar entities or other investment accounts for which it serves as investment manager or for Related Entities, and the Investment Manager will have the discretion to apportion such purchases or sales among such entities. Prior to the Issue Date, the Investment Manager may effect acquisitions of Collateral Debt Obligations or enter into binding commitments to purchase Collateral Debt Obligations on behalf of the Issuer, from funds or other CLOs in relation to which Alcentra Limited, or any of its Affiliates, may be the investment manager or may exercise investment discretion in relation thereto. The Investment Manager cannot assure equal treatment across its investment clients. When the Investment Manager determines that it would be appropriate for the Issuer and one or more Related Entities to participate in an investment opportunity or sell an investment, the Investment Manager will seek to execute orders for all of the participating investment accounts, including the Issuer and its own account, on an equitable basis. If the Investment Manager has determined to invest or sell at the same time for more than one of the Related Entities, the Investment Manager will generally place combined orders for all such Related Entities simultaneously and if all such orders are not filled at the same price, it will use reasonable efforts to allocate such purchases and sales in an equitable manner and in accordance with applicable law. Similarly, if an order on behalf of more than one Related Entity cannot be fully executed under prevailing market conditions, the Investment Manager will allocate the investments traded among the Issuer and different Related Entities on a basis that it considers equitable. Situations may occur where the Issuer could be disadvantaged because of the investment activities conducted by the Investment Manager for the Related Entities.

The Investment Manager may participate in creditors' committees with respect to the bankruptcy, restructuring or work out of issuers of Collateral Debt Obligations. In such circumstances, the Investment Manager may take positions on behalf of itself or Related Entities that are adverse to the interests of the Issuer in the Collateral

Debt Obligations. The Investment Manager will be entitled to receive any steering committee fees associated with a bankruptcy, restructuring or work out (except any fees received in connection with the extension of the maturity of a Defaulted Obligation or a reduction in the outstanding principal balance of a Defaulted Obligation) received in connection with the work out or restructuring of any Defaulted Obligations or Collateral Debt Obligations.

The Trust Deed places significant restrictions on the Investment Manager's ability to buy and sell Collateral Debt Obligations, and the Investment Manager is required to comply with these restrictions contained in the Trust Deed. Accordingly, during certain periods or in certain circumstances, the Investment Manager may be unable to buy or sell Collateral Debt Obligations or to take other actions which it might consider in the best interests of the Issuer and the Noteholders, as a result of the restrictions set forth in the Trust Deed.

With respect to any vote in connection with the removal of Alcentra Limited as the Investment Manager, any Notes held by the Investment Manager, an Affiliate thereof or any funds or accounts managed by the Investment Manager or one of its Affiliates as to which the Investment Manager or one of its Affiliates has discretionary voting authority shall be disregarded and deemed not to be Outstanding in connection with such vote. Any investment in Notes by Alcentra Limited or one or more Affiliates of Alcentra Limited or accounts managed by Alcentra Limited as to which Alcentra Limited has discretionary voting authority may give the Investment Manager an incentive to take actions that may vary from the interests of the holders of other Notes.

The Investment Manager has discussed the composition of the Issuer's Collateral Debt Obligations or other matters relating to the transaction with its Affiliates or clients purchasing Notes or with third party investors (including the Warehouse Equity Purchasers in connection with the Warehouse Facility). There can be no assurance that any such discussions will not influence the Investment Manager's decisions or that any other investor involved in such discussions did not have interests adverse to the Noteholders, including by virtue of it having taken a short position (for example, by buying protection under a credit default swap) relating to obligations or securities included in the Portfolio.

Furthermore, so long as the Issuer is relying on the exemption from the Investment Company Act provided by Rule 3a-7, it is not permitted to acquire or dispose of Collateral Debt Obligations, Exchanged Equity Securities or Eligible Investments for the primary purpose of recognising gains or decreasing losses from market value changes. This could prevent the Issuer (or the Investment Manager on its behalf) from selling assets that the Investment Manager expects may decline in value or from reinvesting principal payments or sale proceeds in Collateral Debt Obligations.

The Issuer has the right by notice to the Trustee to elect (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act and to no longer rely on the exemption from the Investment Company Act provided by Rule 3a-7. Unless and until the Issuer elects (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act, the Investment Manager will be restricted from causing the Issuer to acquire any Collateral Debt Obligation or Eligible Investment which is not an "eligible asset" under Rule 3a-7. The Collateral Debt Obligations, Collateral Enhancement Obligations, Exchanged Equity Securities or Eligible Investments being acquired or disposed of by the Issuer will be subject to the terms and conditions set forth in the Trust Deed and the other Transaction Documents. The acquisition or disposition of any Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment may result in the reduction or withdrawal of the then-current rating issued by the Rating Agencies on any Class of Notes (other than the Subordinated Notes). Until the Issuer elects (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) of the Investment Company Act, the Investment Manager will also be restricted from causing the Issuer to dispose of any Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment or acquire any Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment for the primary purpose

of recognising gains or decreasing losses resulting from market value changes. These restrictions mean that the Issuer may be required to hold a Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment or be precluded from acquiring a Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment when it would have sold such Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment or acquired such Collateral Debt Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment, as applicable, had it based such determination on expected market value changes. As a result, greater losses on the Portfolio may be sustained and there may be insufficient proceeds on any Payment Date to pay in full any expenses of the Issuer or any amounts payable prior to payments in respect of the principal of and interest on the Notes. See "*Risk Factors – General – Issuer Reliance on Rule 3a-7*". The Investment Manager, in its capacity as agent of the Issuer, has the discretion to advise the Issuer to make such election and accordingly the Issuer may cease to rely upon the exemption provided by Rule 3a-7 in the future. The Investment Manager, in making any such a recommendation, and the Issuer in electing to elect to cease to rely upon Rule 3a-7, do not have a duty to act in a way that is favourable to individual or classes of Noteholders and conflicts of interests may arise accordingly. See further "*Risk Factors -The Volcker Rule*".

As further described in "*Risk Factor - The Issuer may acquire certain Collateral Debt Obligations prior to the Issue Date*", prior to the Issue Date, the Issuer may acquire, or enter into binding commitments to acquire, Collateral Debt Obligations and other assets comprising the Portfolio from funds or other CLOs in relation to which Alcentra Limited, or any of its Affiliates, may be the investment manager or may exercise investment discretion in relation thereto. If any such acquisitions or commitments were to take place, the relevant transactions would be executed at a mid-market price obtained from, to the extent possible, an external pricing service selected by the Investment Manager in accordance with its internal pricing procedures. Where such external pricing service is not readily available or is not considered reliable, alternative quotations will be sought (although, ultimately if there are no available or reliable external quotations, a determination will be made by the Investment Manager of a reasonable fair value, which must be approved by the pricing committee of the Investment Manager), all in accordance with the Investment Manager's internal pricing policy procedures.

Certain Conflicts of Interest Involving or Relating to the Collateral Administrator, the Calculation Agent, the Principal Paying Agent, the Account Bank, the Custodian, the Information Agent and the Investment Manager

The Collateral Administrator, the Calculation Agent, the Principal Paying Agent, the Account Bank, the Custodian and the Information Agent are Affiliates of the Investment Manager. While the parties are required to fulfil their contractual obligations under the Transaction Documents to which they are a party, conflicts of interest may nevertheless arise as a result of The Bank of New York Mellon and its Affiliates acting as Investment Manager, as Collateral Administrator, as Principal Paying Agent, as Account Bank, as Custodian and as Information Agent, as appropriate. For example, conflicts of interest may arise between the performance of the Collateral Administrator's duties and determinations and the interests of the Investment Manager.

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 the Rating Agency for its rating services, as 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 ("**Merrill Lynch Parties**") will play various roles in relation to the offering, including the roles described below.

The Issuer's purchase of Collateral Debt Obligations prior to the Issue Date has been financed by a Merrill Lynch Party, together with the first loss providers, pursuant to a warehouse financing facility. A portion of the proceeds of the offering of the Notes will be paid to such Merrill Lynch Party to repay the warehouse financing facility. The existence of this warehouse financing facility may give the Initial Purchaser the incentive to close the issuance of the Notes in conditions that are not optimal.

The Merrill Lynch Parties have been involved (together with the Investment Manager) in the formulation of the Portfolio Profile Tests, Coverage Tests, Collateral Quality Tests, the Reinvestment Overcollateralisation Test, Priorities of Payments and other criteria in and provisions of the Trust Deed and the Investment Management and Collateral Administration Agreement. These may be influenced by discussions that the Initial Purchaser

may have or has 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 will purchase the Notes 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 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 Merrill Lynch 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 Merrill Lynch Parties are part of a global 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 Merrill Lynch Parties may provide also include financing and, as such, the Merrill Lynch Parties may have and/or may provide financing to the Investment Manager and/or any of its Affiliates and such financing may directly or indirectly involve financing the Retention Notes. In the case of any such financing, the Merrill Lynch Parties may have received security over assets of the Investment Manager and/or its Affiliates, including security over the Retention Notes, resulting in the financing parties having enforcement rights and remedies which may include the right to appropriate or sell the Retention Notes. The Merrill Lynch Parties may have positions in and may have placed or underwritten 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 Merrill Lynch 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 Merrill Lynch Parties will act in its own commercial interest in its various capacities without regard to whether its interests conflict with those of the Noteholders or any other party. Moreover, the Issuer may invest in loans of Obligors affiliated with the Merrill Lynch Parties or in which one or more Merrill Lynch 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 Merrill Lynch Parties' own investments in such Obligors.

It is expected that, from time to time the Investment Manager, on behalf of the Issuer, will purchase from or sell Collateral Debt Obligations through or to the Merrill Lynch Parties (including a portion of the Collateral Debt Obligations to be purchased on or prior to the Issue Date). One or more Merrill Lynch Parties may also act as the selling institution with respect to participation interests and/or as a counterparty under a Hedge Agreement. The Merrill Lynch Parties may act as placement agent and/or initial purchaser or investment manager 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 and/or on the price of the Notes.

The Merrill Lynch 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 Prospectus except where required in accordance with the applicable law. Nonetheless, in the ordinary course of business, Merrill Lynch Parties and employees or customers of the Merrill Lynch 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 or 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 Merrill Lynch 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 Merrill Lynch 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 Merrill Lynch 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.

The Initial Purchaser will be entitled to be paid certain fees in connection with the structuring and offering of the Notes from the proceeds of the issuance of the Notes. The Initial Purchaser may forgo or transfer (including to the Investment Manager or its Affiliates) a portion of or otherwise choose to accept a reduced amount of such fees for any reason. Whether any such amount will be foregone or reduced may depend on the terms of the securities issued on the Issue Date (including, without limitation, the interest rates and purchase prices of Notes purchased for the account of the Merrill Lynch Parties or otherwise for distribution), the purchase price of the Collateral Debt Obligations and other terms of the transaction.

5. INVESTMENT COMPANY ACT

The Issuer has not registered with the United States Securities and Exchange Commission (the "**SEC**") as an investment company pursuant to the Investment Company Act, in reliance on both (i) an exemption under Section 3(c)(7) of the Investment Company Act for investment companies (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) with respect to the Issuer and certain transferees thereof identified in Rule 3c-5 and Rule 3c-6 under the Investment Company Act and (b) which do not make a public offering of their securities in the United States and (ii) an exclusion from the definition of investment company for certain asset-backed issuers that meet the conditions of Rule 3a-7 under the Investment Company Act. So long as the Issuer relies on Rule 3a-7, its ability to acquire and dispose of Collateral Debt Obligations may be limited, which could adversely affect its ability to realise gains, mitigate losses or reinvest principal payments or sale proceeds. In 2011, the SEC published an advance notice of proposed rulemaking to potentially consider proposing amendments to Rule 3a-7. Any guidance from the SEC or its staff regarding Rule 3a-7, including changes that the SEC may ultimately adopt to Rule 3a-7, that narrow the scope of Rule 3a-7, could further inhibit the business activities of the Issuer and adversely affect the holders of the Notes.

No opinion or no-action position has been requested of the SEC with respect to the status of the Issuer as investment company under the Investment Company Act.

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 that is made in violation of the Investment Company Act or whose performance involves such violation could be declared unenforceable by any party to the contract 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. In addition, the Issuer or any of the Collateral becoming required to register as an "investment company" under the Investment Company Act will constitute an Event of Default if such requirement continues for 45 days. 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 at any time determines that any holder of an interest in a Rule 144A Note (1) is a U.S. Person and (2) 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 or a Transfer Agent (and notice by such Transfer Agent to the Issuer, if such Transfer Agent makes the determination) send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its interest to a person that is not a Non-Permitted Holder within thirty calendar days of the date of such notice. If such Non-Permitted Holder fails to effect the transfer required within such thirty day period:

(a) upon direction from the Issuer or the Investment Manager on its behalf, a Transfer Agent, on behalf of and at the expense of the Issuer, shall cause such beneficial interest to be transferred in a sale (conducted by such Transfer Agent) 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

(b) pending such transfer, no further payments will be made in respect of such beneficial interest.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of each of 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 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. See "*Form of the Notes - Amendments to Terms and Conditions*".

The issue of €252,750,000 Class A Senior Secured Floating Rate Notes due 2028 (the "**Class A Notes**"), €60,250,000 Class B Senior Secured Floating Rate Notes due 2028(the "**Class B Notes**"), €26,000,000 Class C Deferrable Mezzanine Floating Rate Notes due 2028 (the "**Class C Notes**"), €23,500,000 Class D Deferrable Mezzanine Floating Rate Notes due 2028 (the "**Class D Notes**"), €27,000,000 Class E Deferrable Junior Floating Rate Notes due 2028 (the "**Class E Notes**"), €15,250,000 Class F Deferrable Junior Floating Rate Notes due 2028 (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 €46,000,000 Subordinated Notes due 2028 (the "**Subordinated Notes**") (the Rated Notes and the Subordinated Notes, together the "**Notes**") of Jubilee CLO 2015-XV B.V. (the "**Issuer**") was authorised by resolution of the board of Managing Directors of the Issuer dated 1 June 2015. The Notes are constituted, secured by, subject to and have the benefit of a trust deed (together with any other security document entered into in respect of the Notes, the "**Trust Deed**") to be dated on or about 4 June 2015, as amended, varied or substituted from time to time, between (amongst others) the Issuer and Law Debenture Trust Company of New York in its capacity as trustee for the Noteholders and 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, as amended, varied or substituted from time to time (the "**Conditions of the Notes**"") 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 to be dated on or about 4 June 2015, as amended, varied or substituted from time to time, (the "**Agency Agreement**") between, amongst others, the Issuer, The Bank of New York Mellon (Luxembourg) S.A., as registrar and transfer agent (respectively, "**Registrar**" and "**Transfer Agent**" which terms shall include any successor or substitute registrar or transfer agent, and together, the "**Transfer Agents**" and each a "**Transfer Agent**"), The Bank of New York Mellon acting through its London Branch, as principal paying agent, account bank, calculation agent, custodian or information agent (respectively, "**Principal Paying Agent**", "**Account Bank**", "**Calculation Agent**", "**Custodian**", and "**Information Agent**" which terms shall include any successor or substitute principal paying agent, account bank, calculation agent, custodian, or information agent, respectively, appointed pursuant to the terms of the Agency Agreement), The Bank of New York Mellon S.A./N.V., Dublin Branch, 4th Floor Hanover Building, Windmill Lane, Dublin 2, Ireland as collateral administrator (the "**Collateral Administrator**") and the Trustee; (b) an investment management and collateral administration agreement to be dated on or about 4 June 2015, as amended, varied or substituted from time to time, (the "**Investment Management and Collateral Administration Agreement**") between Alcentra Limited, as investment manager in respect of the Portfolio (the "**Investment Manager**", which term shall include any successor investment manager appointed pursuant to the terms of the Investment Management and Collateral Administration Agreement), the Issuer, The Bank of New York Mellon acting through its London Branch, as Custodian and Information Agent, (which terms shall include any successor custodian or information agent, respectively, appointed pursuant to the terms of the Investment Management and Collateral Administration Agreement) and The Bank of New York Mellon S.A./N.V., acting through its Dublin Branch, as Collateral Administrator, which term shall include any successor collateral administrator, respectively, appointed pursuant to the terms of the Investment Management and Collateral Administration Agreement) and the Trustee; (c) a management agreement between the Issuer and the Managing Directors entered into on or about 4 June 2015, as amended, varied or substituted from time to time, (the "**Issuer Management Agreement**") and (d) a subscription agreement between the Issuer and Merrill Lynch International as initial purchaser (the "**Initial Purchaser**") dated 4 June 2015 (the "**Subscription Agreement**"). Copies of the Trust Deed, the Agency Agreement and the Investment Management and Collateral Administration Agreement are available for inspection during usual business hours at the principal office of the Issuer (presently at Herikerbergweg 238, 1101 CM, Amsterdam, The Netherlands) 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 the Transaction Documents applicable to them.

1. Definitions

"**Acceleration Notice**" shall have the meaning ascribed to it in Condition 10(b) (*Acceleration*).

"**Accounts**" means the Principal Account, the Custody Account, the Interest Account, the Unused Proceeds Account, the Payment Account, the Expense Reserve Account, the First Period Reserve Account, the Collateral Enhancement Account, the Counterparty Downgrade Collateral Account, the Contribution Account, the Interest Smoothing Account, each Hedge Termination Account, each Asset Swap Account and the Unfunded Revolver Reserve Account all of which shall be held and administered outside The Netherlands.

"**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 Payment Date upon which the Refinancing occurs) to, but excluding, the first Payment Date (or in the case of a Class that is subject to Refinancing to, but excluding the first Payment Date following the Refinancing respectively) and each successive period from and including each Payment Date to, but excluding, the following Payment Date.

"**Accrued Collateral Debt Obligation Interest**" means, in respect of any Payment Date, the amount which is equal to the aggregate of all accrued unpaid interest under the Collateral Debt Obligations (excluding Purchased Accrued Interest, interest on any Defaulted Obligations and unpaid interest under Mezzanine Obligations deferred in accordance with the terms of such Mezzanine Obligations), which is not payable to the Issuer on or prior to the Determination Date in respect of such Payment Date by the Obligors under the relevant Collateral Debt Obligations.

"**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) without duplication, the amounts on deposit in the Principal Account and the Unused Proceeds Account (to the extent such amounts represent Principal Proceeds and including Eligible Investments therein which represent Principal Proceeds); plus

(c) in relation to a Deferring Security, the lesser of: (i) its Moody's Collateral Value; and (ii) its S&P Collateral Value and in relation to a Defaulted Obligation, the lesser of: (i) its Moody's Collateral Value; and (ii) its S&P Collateral Value, provided that in the case of a Defaulted Obligation, 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 shall be zero; *plus*

(d) 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*

(e) the Excess CCC/Caa Adjustment Amount,

provided further that:

(i) with respect to any Collateral Debt Obligation that would otherwise fall into more than one of paragraphs (c) to (e) above it shall, for the purposes of this definition, be attributed to that paragraph (c) to (e) which results in the lowest Adjusted Collateral Principal Amount on any date of determination; and

(ii) in respect of paragraphs (b) to (e) above, any non-Euro amounts received will be converted into Euro at the Applicable Exchange Rate.

"**Administrative Expenses**" means amounts due and payable by the Issuer in the following order of priority including except as expressly set out otherwise below, any value added tax thereon (whether payable to such party or directly to the relevant tax authority):

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

(i) the Agents pursuant to the Agency Agreement and, in the case of the Collateral Administrator and the Information Agent, the Investment Management and Collateral Administration Agreement, including by way of indemnity;

(ii) the Managing Directors pursuant to the Issuer Management Agreement; and

(iii) on a *pro-rata* basis to each Reporting Delegate pursuant to any Reporting Delegation Agreement.

(b) on a *pro-rata* and *pari passu* basis, to:

(i) any Rating Agency which may from time to time be requested to assign:

(A) a rating to each of the Rated Notes; or

(B) 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) the independent certified public accountants, auditors, agents and counsel of the Issuer (other than amounts payable to the Agents pursuant to (a) above);

(iii) the Investment Manager pursuant to the Investment Management and Collateral Administration Agreement (including indemnities provided for therein), but excluding any Investment Management Fees or any value added tax payable thereon;

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

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

(vi) 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 (other than the Investment Management and Collateral Administration Agreement) or any other documents (other than the Investment Management and Collateral Administration Agreement) delivered pursuant to or in connection with the issue and sale of the Notes, 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;

(vii) to the Initial Purchaser pursuant to the Subscription Agreement in respect of any indemnity payable to it thereunder;

(viii) on a *pro-rata* basis to any other Person in connection with satisfying the requirements of CRA3 or EMIR (excluding any requirement under EMIR to post margin to either any central clearing counterparty, or to any Hedge Counterparty, as applicable);

(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;

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

(i) on a *pro-rata* basis to any other Person in connection with satisfying the requirements of EMIR (including any requirement under EMIR to post margin to either any central clearing counterparty, or to any Hedge Counterparty, as applicable) or the Dodd-Frank Act, in each case as applicable to the Issuer only;

(ii) on a *pro-rata* basis to any Person (including the Investment Manager) in connection with satisfying the Retention Requirements or requirements of Solvency II, in each case as applicable to the Issuer only, including any costs or fees related to additional due diligence or reporting requirements;

(iii) FATCA Compliance Costs; and

(iv) reasonable fees, costs and expenses of the Issuer and Investment Manager including reasonable attorneys' fees, in each case in relation to compliance by the Issuer and the Investment Manager with the United States Commodity Exchange Act of 1936, as amended (including rules and regulations promulgated thereunder);

(d) on a *pro-rata* basis, any Refinancing Costs; and

(e) on a *pro-rata* basis, payment of any indemnities payable to any Person as contemplated in these Conditions or the Transaction Documents and not already paid pursuant to paragraphs (a) or (b) above,

provided that:

(i) the Investment Manager may direct the payment of any Rating Agency fees set out in (b)(i) above other than in the order required by paragraph (b) above if the Investment Manager 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; and

(ii) the Investment Manager may direct payment other than in the order required by paragraph (b) if, in its reasonable judgment, it determines a payment other than in the order required by paragraph (b) above is required to ensure the delivery of certain accounting services and reports.

"**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:

(a) control of a Person shall mean the power, direct or indirect:

(i) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of such Person; or

(ii) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise;

(b) a Person will not be deemed to be an Affiliate of the Issuer solely by virtue of the fact that it acts in any capacity for the Issuer; and

(c) Obligors in respect of Collateral Debt Obligations will be deemed not to be Affiliates if they have distinct corporate family ratings.

"**Agent**" means each of the Registrar, the Principal Paying Agent, the Transfer Agent, the Calculation Agent, the Account Bank, the Collateral Administrator, the Information Agent and the Custodian, and 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 Investment Management and Collateral Administration 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 Portfolio Profile Tests and the Collateral Quality Tests (other than the S&P CDO Monitor Test); and

(ii) 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 excluded; 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).

"**Aggregate Principal Amount Outstanding**" means the sum of the Principal Amount Outstanding for all Classes of Notes.

"**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 Collateral Debt Obligations, in each case, as at the date of determination.

"**AIFM**" means an EEA manager of an alternative investment fund.

"**AIFMD**" means 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 European Union Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFMD, 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 any reference to the AIFMD Retention Requirements

shall be deemed to include any successor or replacement provisions included in any European Union directive or regulation subsequent to the AIFMD or the European Union Commission Delegated Regulation (EU) No 231/2013.

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

"**Applicable Exchange Rate**" means, in relation to any Asset Swap Obligation, the exchange rate set forth in the relevant Asset Swap Transaction, or otherwise, the Spot Rate.

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

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

"**Arranger**" means Merrill Lynch International.

"**Article 404**" means Articles 404-410 (inclusive) of the CRR *provided* that any reference to Article 404 shall be deemed to include any successor or replacement provisions included in any European Union directive or regulation subsequent to the CRR.

"**Asset Swap Account**" means each segregated currency account into which amounts due to the Issuer in respect of each Asset Swap Obligation and out of which amounts from the Issuer to each applicable Asset Swap Counterparty under each applicable Asset Swap Transaction are to be paid.

"**Asset Swap 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), together with the schedule and confirmations relating thereto including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof, each as amended or supplemented from time to time, and entered into by the Issuer with an Asset Swap Counterparty which shall govern one or more Asset Swap Transactions entered into by the Issuer and such Asset Swap Counterparty (including any Replacement Asset Swap Transaction) under which the Issuer swaps cash flows receivable on such Asset Swap Obligations for Euro denominated cash flows from each Asset Swap Counterparty.

"**Asset Swap Counterparty**" means any financial institution with which the Issuer enters into an Asset Swap Agreement, or any permitted assignee or successor thereof, under the terms of the related Asset Swap Agreement and, in each case, which satisfies, at the time of entry into the Asset Swap Agreement, the applicable Rating Requirement (or whose obligations are guaranteed by a guarantor which satisfies the applicable Rating Requirement) and provided always that such financial institution has the regulatory capacity as a matter of Dutch law to enter into derivative transactions with Dutch residents.

"**Asset Swap Counterparty Principal Exchange Amount**" means each initial, interim and final exchange amount (whether expressed as such or otherwise) scheduled to be paid by the Asset Swap Counterparty to the Issuer under an Asset Swap Transaction and excluding any Scheduled Periodic Asset Swap Counterparty Payments but including any amounts described as termination payments in the relevant Asset Swap Agreement which relate to payments to be made as a result of the relevant Asset Swap Obligation being sold or becoming subject to a credit event or debt restructuring.

"**Asset Swap Issuer Principal Exchange Amount**" means each initial, interim and final exchange amount (whether expressed as such or otherwise) scheduled to be paid to the Asset Swap Counterparty by the Issuer under an Asset Swap Transaction and excluding any Scheduled Periodic Asset Swap Issuer Payments but including any amounts described as termination payments in the relevant Asset Swap Agreement which relate to payments to be made as a result of the relevant Asset Swap Obligation being sold or becoming subject to a credit event or debt restructuring.

"**Asset Swap Obligation**" means any Collateral Debt Obligation which is not denominated or drawn in EUR and which is the subject of an Asset Swap Transaction.

"**Asset Swap Replacement Payment**" means any amount payable by the Issuer to a replacement Asset Swap Counterparty upon entry into a Replacement Asset Swap Transaction which is replacing an Asset Swap Transaction which was terminated.

"**Asset Swap Replacement Receipt**" means any amount payable to the Issuer by a replacement Asset Swap Counterparty upon entry into a Replacement Asset Swap Transaction which is replacing an Asset Swap Transaction which was terminated.

"**Asset Swap Termination Payment**" means the amount payable to an Asset Swap Counterparty by the Issuer upon termination or modification of an Asset Swap Transaction excluding, for purposes other than payment by the Issuer, any due and unpaid scheduled amounts payable thereunder and any Asset Swap Issuer Principal Exchange Amounts.

"**Asset Swap Termination Receipt**" means the amount payable by an Asset Swap Counterparty to the Issuer upon termination or modification of an Asset Swap 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 amounts payable thereunder and any Asset Swap Counterparty Principal Exchange Amounts.

"**Asset Swap Transaction**" means each asset swap transaction entered into under an Asset Swap Agreement for the sole purpose described in the definition of Asset Swap Agreement.

"**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.

"**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 for each Class of Notes, €1,000.

"**Authorised Officer**" means with respect to the Issuer, any Managing Director 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.

"**Average Life**" means, on any Measurement Date with respect to any Collateral Debt Obligation, an amount equal to:

(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; divided by

(b) the sum of all successive scheduled distributions of principal on such Collateral Debt Obligation.

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

(a) current balance of cash, demand deposits, time deposits, 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 if 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 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), provided further that, any balance which is denominated in a currency other than Euro shall be converted into Euro at the Applicable Exchange Rate.

"**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, but only to the extent of the percentage of the equity interests in such entity that are held by Benefit Plan Investors.

"**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 and New York (other than a Saturday or a Sunday); and

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

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

(a) the excess of the Principal Balance of all Moody's Caa Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance (for which purpose, the Principal Balance of each Defaulted Obligation shall be its Moody's Collateral Value); and

(b) the excess of the Principal Balance of all S&P CCC Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance (for which purpose, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value),

provided that, in determining which of the Moody's Caa Obligations or S&P CCC Obligations, as applicable, shall be included under part (a) or (b) above, the Moody's Caa Obligations or S&P CCC 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 Determination Date) shall be deemed to constitute the CCC/Caa Excess.

"**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, 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.

"**CRA3**" means Regulation EC 1060/2009 on credit rating agencies as may be amended, supplemented or replaced including any implementing and/or delegated regulation, technical standards and guidance related thereto.

"**Class A Floating Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

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

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

"**Class A IM Voting Notes**" means any Class A Notes in the form of IM Voting Notes.

"**Class A Noteholders**" means the holders of any Class A Notes from time to time.

"**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:

(a) the Interest Coverage Amount; by

(b) the sum of the scheduled interest payments due on the Class A Notes and the Class B Notes.

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 Notes and the Class B 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 Amount Outstanding of each of the Class A Notes and the Class B 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 130.36 per cent.

"**Class B Floating Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

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

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

"**Class B IM Voting Notes**" means any Class B Notes in the form of IM Voting Notes.

"**Class B Noteholders**" means the holders of any Class B Notes from time to time.

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

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

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

"**Class C IM Voting Notes**" means the Class C Notes in the form of IM Voting Notes.

"**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:

(a) the Interest Coverage Amount; by

(b) the sum of the scheduled interest payments due on the Class A Notes, the Class B Notes and the Class C Notes.

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 Notes, the Class B Notes and the Class C 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 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 Amount 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 122.14 per cent.

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

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

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

"**Class D IM Voting Notes**" means the Class D Notes in the form of IM Voting Notes.

"**Class D 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:

(a) the Interest Coverage Amount; by

(b) the sum of the scheduled interest payments due on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.

For the purposes of calculating the Class D 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 Notes, the Class B Notes, the Class C Notes and the Class D Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class D 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 D Interest Coverage Ratio is at least equal to 105.00 per cent.

"**Class D Noteholders**" means the holders of any Class D 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 Amount Outstanding of each of the Class A Notes, the Class B Notes, 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 114.77 per cent.

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

"**Class E 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:

(a) the Interest Coverage Amount; by

(b) the sum of the scheduled interest payments due on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

For the purposes of calculating the Class E 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 Notes, the Class B Notes, the Class C Notes, the Class D Notes and Class E Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class E 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 E Interest Coverage Ratio is at least equal to 102.00 per cent.

"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 Amount Outstanding of each of the Class A Notes, the Class B Notes, the Class C Notes, the Class D 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 107.39 per cent.

"**Class F Noteholders**" means the holders of any Class F Notes from time to time.

"**Class F 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 Amount Outstanding of each 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.

"**Class F 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 F Par Value Ratio is at least equal to 104.16 per cent.

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

(a) the Class A Notes;

(b) the Class B Notes;

(c) the Class C Notes;

(d) the Class D Notes;

(e) the Class E Notes;

(f) the Class F Notes; and

(g) the Subordinated Notes,

and "**Class of Noteholders**" and "**Class**" shall be construed accordingly. Notwithstanding that the Class A IM Voting Notes, the Class A IM Non-Voting Notes and the Class A IM Exchangeable Non-Voting Notes are in the same Class; the Class B IM Voting Notes, the Class B IM Non-Voting Notes and the Class B IM Exchangeable Non-Voting Notes are in the same Class; the Class C IM Voting Notes, the Class C IM Non-Voting Notes and the Class C IM Exchangeable Non-Voting Notes are in the same Class; and the Class D IM Voting Notes, the Class D IM Non-Voting Notes and the Class D IM Exchangeable Non-Voting Notes are in the same Class, they shall not be treated as a single Class in respect of any vote or determination of quorum under the Trust Deed in connection with any IM Removal Resolution or IM Replacement Resolution, as further described in the Conditions, the Trust Deed and the Investment Management and Collateral Administration Agreement.

"**Clearing System Business Day**" means a day on which Euroclear and Clearstream, Luxembourg are open for business.

"**Code**" means the United States Internal Revenue Code of 1986, as amended from time to time.

"**Collateral**" means the property, assets and rights described in Condition 4(a) (*Security*) which are charged, pledged 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 (or the Investment Manager on the Issuer's behalf) 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 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 satisfies the Eligibility Criteria. References to Collateral Debt Obligations shall include Non-Euro Obligations, but shall not include Collateral Enhancement Obligations, Eligible Investments or Exchanged Equity 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 Portfolio Profile Tests, Collateral Quality Tests, Reinvestment Overcollateralisation Test and Coverage Tests at any time as if such purchase had been completed. 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, the Collateral Quality Tests, Reinvestment Overcollateralisation Test and Coverage 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 Investment 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 is a Restructured Obligation.

"**Collateral Enhancement Account**" means an interest bearing account in the name of the Issuer, so entitled and held with the Account Bank.

"**Collateral Enhancement Amount**" means, with respect to any Payment Date during the Reinvestment Period, the amount of Interest Proceeds retained in the Collateral Enhancement Account on the Payment Date in accordance with the Interest Proceeds Priority of Payments, at the sole discretion of the Investment Manager which amounts shall not exceed €1,000,000 in the aggregate for any Payment Date or an aggregate amount for all applicable Payment Dates of €2,000,000.

"**Collateral Enhancement Obligation**" means any warrant or equity security, excluding Exchanged Equity 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 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; provided that no Collateral Enhancement Obligation may be, or be exchangeable into, a Dutch Ineligible Security.

"**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 Investment Management and Collateral Administration 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; and

   (iii) the Moody's Minimum Weighted Average Recovery Rate Test;

(b) so long as any Notes rated by S&P are Outstanding:

   (i) (as of the Effective Date and until the expiry of the Reinvestment Period only) the S&P CDO Monitor Test; and

   (ii) the S&P Minimum Weighted Average Recovery Rate Test; and

(c) so long as any Rated Notes are Outstanding:

   (i) the Minimum Weighted Average Spread Test;

   (ii) the Minimum Weighted Average Fixed Coupon Test; and

   (iii) the Maximum Weighted Average Life Test,

each as defined in the Investment Management and Collateral Administration Agreement.

"**Collateral Tax Event**" means at any time, as a result of the introduction of a new, or any change in, any home jurisdiction or foreign tax statute, treaty, regulation, rule, ruling, practice, market practice procedure or judicial decision or interpretation (whether proposed, temporary or final), interest payments 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 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 as holder thereof, either directly or indirectly through a Participation, is held completely harmless from the full amount of such withholding tax on an after tax basis) 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 Collateral Debt 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.

"**Commodity Exchange Act**" means the United States Commodity Exchange Act of 1936, as amended.

"**Conditions**" means these terms and conditions of the Notes, as set out in the Trust Deed as amended, varied or substituted from time to time.

"**Contribution**" has the meaning specified in Condition 2(l) (*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(l) (*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 an IM Removal Resolution or an IM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes is held in the form of IM Non-Voting Notes and/or IM Exchangeable Non-Voting Notes,

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, the Class B Notes and solely in connection with an IM Removal Resolution or an IM 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 IM Non-Voting Notes and/or IM Exchangeable Non-Voting Notes,

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 an IM Removal Resolution or an IM 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 IM Non-Voting Notes and/or IM Exchangeable Non-Voting Notes,

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 an IM Removal Resolution or an IM 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 IM Non-Voting Notes and/or IM Exchangeable Non-Voting Notes,

the Class E Notes; or

(f) 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, the Class F Notes; or

(g) following redemption in full of all of the Rated Notes, the Subordinated Notes,

provided that, solely in connection with an IM Removal Resolution or an IM Replacement Resolution, no Notes held in the form of IM Non-Voting Notes and/or IM Exchangeable Non-Voting Notes shall:

(i) constitute or form part of the Controlling Class;

(ii) be entitled to vote in respect of such IM Removal Resolution or IM Replacement Resolution; or

(iii) be counted for the purposes of determining a quorum or the result of voting in respect of such IM Removal Resolution or IM Replacement Resolution.

"**Corporate Rescue Loan**" shall mean any interest in a loan or financing facility that is acquired directly by way of assignment which is paying principal and interest on a current basis and either:

(a) is an obligation of a debtor in possession as described in section 1107 of the United States Bankruptcy Code or a trustee (if appointment of such trustee has been ordered pursuant to section 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 section 364(c)(2) of the United States Bankruptcy Code;

(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 section 364(d) of the United States Bankruptcy Code;

(iii) such Corporate Rescue Loan is secured by junior liens on the Debtor's encumbered assets and such Corporate Rescue Loan is fully secured based upon a current valuation or appraisal report; or

(iv) 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 section 364(c)(1) of the United States Bankruptcy Code; or

(b) if the Obligor is not organised under the laws of the United States or any State therein:

(i) is a credit facility or other advance made available to a company or group in a restructuring or insolvency process which constitutes the most senior secured obligations of the entity which is the borrower thereof; and

(ii) either:

(A) ranks *pari passu* in all respects with the senior unsecured 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 Obligor and its subsidiaries in priority to all such other senior secured indebtedness; or

(B) achieves priority over other senior secured obligations of the Obligor 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 that, in each case, it is not a Dutch Ineligible Security.

"**Counterparty Downgrade Collateral**" means any cash and/or securities delivered to the Issuer as collateral for the obligations of a Hedge Counterparty under a Hedge Transaction.

"**Counterparty Downgrade Collateral Account**" means one or more accounts of the Issuer with the Custodian into which all Counterparty Downgrade Collateral received in respect of a Hedge Counterparty (other than cash) is to be deposited or (as the case may be) an interest bearing account(s) of the Issuer with the Account Bank into which all Counterparty Downgrade Collateral (in the form of cash) is to be deposited. A separate Counterparty Downgrade Collateral Account shall be opened in respect of each 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, the Class D Interest Coverage Test, the Class E Par Value Test, the Class E Interest Coverage Test and the Class F Par Value Test.

"**Cov-Lite Loan**" means a Collateral Debt Obligation that is an interest in a loan, the Underlying Instruments for which do not:

(a) contain any financial covenants; or

(b) 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),

provided that, for all purposes other than a determination of the S&P Recovery Rate for such loan, a loan described in (a) or (b) above that either contains a cross-default provision to, is *pari passu* with or is senior to another loan of the Obligor, that requires the Obligor to comply with a Maintenance Covenant shall be deemed not to be a Cov-Lite Loan.

"**Credit Impaired Obligation**" means any Collateral Debt Obligation that, in the Investment Manager's reasonable commercial judgment, has a significant risk of declining in credit quality or price; provided that, in forming such judgment, an increase in credit spread or decrease in market value of a Collateral Debt Obligation may only be utilised as corroboration of other bases for such judgment; and provided further that, at any time during a Restricted Trading Period or after the expiry of the Reinvestment Period, a Collateral Debt Obligation will qualify as a Credit Impaired Obligation for purposes of sales of Collateral Debt Obligations only if:

(a) such Collateral Debt Obligation has been downgraded by any Rating Agency at least one rating sub-category or has been placed and remains on a watch list for possible downgrade or on negative outlook by either Rating Agency since it was acquired by the Issuer;

(b) the Credit Impaired Obligation Criteria are satisfied with respect to such Collateral Debt Obligation; or

(c) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Debt Obligation as a Credit Impaired Obligation.

"**Credit Impaired Obligation Criteria**" means the criteria that will be met in respect of a Collateral Debt Obligation if any of the following apply to such Collateral Debt Obligation, as determined by the Investment Manager in its discretion:

(a) if such Collateral Debt Obligation is a loan obligation or floating rate note, the price of such Collateral Debt Obligation has changed during the period from the date on which the Issuer entered into a binding commitment to purchase such Collateral Debt Obligation to the proposed date the Issuer intends to enter into a binding commitment to sell such Collateral Debt Obligation by a percentage which is:

 (i) in the case of Secured Senior Loans or Secured Senior Bonds, either at least 0.25 per cent. more negative or at least 0.25 per cent. less positive; and

 (ii) in the case of Unsecured Senior Obligations, Second Lien Loans or Mezzanine Obligations, either at least 0.50 per cent. more negative or at least 0.50 per cent. less positive,

 in each case, than the percentage change in the average price of an Eligible Loan Index;

(b) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation which is a bond or security, the price of such obligation has changed since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by a percentage either at least 1 per cent. more negative or at least 1 per cent. less positive, as the case may be, than the percentage change in the Eligible Bond Index over the same period, as determined by the Investment Manager;

(c) the price of such Collateral Debt Obligation has decreased by at least 1 per cent. of the price paid by the Issuer for such Collateral Debt Obligation; or

(d) if such Collateral Debt Obligation is a loan obligation or a floating rate note, the spread over the applicable reference rate for such Collateral Debt Obligation has been increased in accordance with the underlying Collateral Debt Obligation since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by:

 (i) 0.25 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) less than or equal to 2 per cent.);

 (ii) 0.375 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) greater than 2 per cent. but less than or equal to 4 per cent.); or

 (iii) 0.5 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) greater than 4 per cent.), due to a deterioration in the Obligor's financial ratios or financial results.

"**Credit Improved Obligation**" means any Collateral Debt Obligation which, in the Investment Manager's reasonable commercial judgment, has significantly improved in credit quality since it was acquired by the Issuer; provided that in forming such judgment, a reduction in credit spread or an increase in market value of a Collateral Debt Obligation may only be utilised as corroboration of other bases for such judgment, and provided further that, at any time during a Restricted Trading Period or after the expiry of the Reinvestment Period, a Collateral Debt Obligation will qualify as a Credit Improved Obligation only if:

(a) it has been upgraded by any Rating Agency at least one rating sub-category or has been placed and remains on a watch list for possible upgrade or on positive outlook by either Rating Agency since it was acquired by the Issuer;

(b) the Credit Improved Obligation Criteria are satisfied with respect to such Collateral Debt Obligation; or

(c) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Debt Obligation as a Credit Improved Obligation.

"**Credit Improved Obligation Criteria**" means the criteria that will be met in respect of a Collateral Debt Obligation if any of the following apply to such Collateral Debt Obligation, as determined by the Investment Manager in its discretion:

(a) if such Collateral Debt Obligation is a loan obligation, a bond or security, the Sale Proceeds (excluding Sale Proceeds that constitute Interest Proceeds) of such loan obligation, bond or security would be at least 101 per cent. of the purchase price paid by the Issuer at the time of its acquisition;

(b) if such Collateral Debt Obligation is a loan obligation, or floating rate note, the price of such loan obligation has changed during the period from the date on which the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation 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;

(c) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation which is a bond or security, the price of such obligation has changed since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by a percentage either at least 1 per cent. more positive or at least 1 per cent. less negative than the percentage change in the Eligible Bond Index over the same period, as determined by the Investment Manager; or

(d) if such Collateral Debt Obligation is a loan obligation, the spread over the applicable reference rate for such Collateral Debt Obligation has been decreased in accordance with the underlying Collateral Debt Obligation since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by:

    (i) 0.25 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) less than or equal to 2 per cent.);

    (ii) 0.375 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) greater than 2 per cent. but less than or equal to 4 per cent.); or

    (iii) 0.50 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) greater than 4 per cent.),

    due, in each case, to an improvement in the Obligor's financial ratios or financial results.

"**CRR**" means European Union Regulation (EU) No. 575/2013 on capital requirements, as amended, varied or substituted from time to time.

"**CRR Retention Requirements**" means Article 404 together with any guidelines and technical standards published in relation thereto by the EBA as may be effective from time to time.

"**Current Pay Obligation**" means any Collateral Debt Obligation (other than a Corporate Rescue Loan) that would otherwise be treated as a Defaulted Obligation but as to which no payments are due and payable that are unpaid and with respect to which the Investment Manager believes, in its reasonable business judgment, that:

(a) the Obligor of such Collateral Debt Obligation will continue to make scheduled payments of interest thereon and will pay the principal thereof by maturity or as otherwise contractually due;

(b) if the Obligor is subject to a bankruptcy or insolvency proceedings, a bankruptcy court has authorised all payments when due thereunder;

(c) for so long as any Notes rated by Moody's are outstanding, satisfies the Moody's Additional Current Pay Criteria; and

(d) the Collateral Debt Obligation has a Market Value of at least 80 per cent. of its current Principal Balance,

provided, however, that to the extent the Aggregate Principal Balance of all Collateral Debt Obligations that would otherwise be Current Pay Obligations exceeds 5 per cent. of the Aggregate Collateral Balance (for which purpose, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value), such excess over 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 (or any part of a Collateral Debt Obligation) 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 held and administered outside The Netherlands established on the books of the Custodian in accordance with the provisions of the Agency Agreement, which term shall include each securities account relating to each such Custody Account (if any).

"**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 Hedge Termination Payment**" means any amount payable, including any due and unpaid scheduled amounts thereunder, by the Issuer to a Hedge Counterparty upon termination of any Hedge Transaction in respect of which the Hedge Counterparty was either:

(a) the "Defaulting Party" (as defined in the applicable Hedge Agreement); or

(b) the sole "Affected Party" (as defined in the applicable Hedge Agreement) in respect of:

 (i) any termination event, howsoever described, in each case resulting from a ratings downgrade of the Hedge Counterparty and/or its failure or inability to take any specified curative action within any specified period within the applicable Hedge Agreement; or

 (ii) a termination event that is a "Tax Event Upon Merger" (as defined in the applicable Hedge Agreement).

"**Defaulted Mezzanine Excess Amounts**" means the lesser of:

(a) the greater of:

 (i) zero; and

 (ii) the aggregate of all amounts paid into the Principal Account 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 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 relating thereto.

"**Defaulted Obligation**" means a Collateral Debt Obligation as determined by the Investment 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 Investment Manager has confirmed to the Trustee in writing that, to the knowledge of the Investment Manager, such default has resulted from non-credit related causes, such Collateral Debt Obligation shall not constitute a "Defaulted Obligation" for the lesser of:

 (i) five Business Days;

 (ii) seven calendar days; or

 (iii) any grace period applicable thereto,

in each case which default entitles the holders thereof, with notice or passage of time or both, to accelerate the maturity of all or a portion of the principal amount of such obligation, but only until such default has been cured;

(b) in respect of which any bankruptcy, insolvency or receivership proceeding has been initiated in connection with the Obligor of such Collateral Debt Obligation and, to the knowledge of the Investment Manager, such proceedings have not been stayed or dismissed (provided that a Collateral Debt Obligation shall not constitute a Defaulted Obligation under this paragraph (b) if it is a Current Pay Obligation);

(c) in respect of which the Investment Manager has actual knowledge that the Obligor thereunder is in default as to payment of principal and/or interest on another of its obligations, 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:

(i) both such other obligation and the Collateral Debt Obligation are full recourse, unsecured obligations;

(ii) the security interest securing the other obligation is senior to, or *pari passu* with, the security interest securing the Collateral Debt Obligation; and

(iii) 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;

(ii) an S&P Rating of "SD", "D" or "CC" or below; or

(iii) had a Moody's Rating of "D" or "LD" (or below) or an S&P Rating of "SD", "D" or "CC" (or below), which Moody's Rating or S&P Rating, in either case, has subsequently been withdrawn;

(e) such Collateral Debt Obligation is *pari passu* or subordinated in right of payment as to the payment of principal and/interest to another debt obligation of the same Obligor which has: (i) a Moody's Rating of "Ca" or "C" or lower or (ii) an S&P Rating of "SD" or "D" or had such rating before such rating was withdrawn provided that both the Collateral Debt Obligation and such other debt obligation are full recourse obligations of the applicable issuer or secured by the same collateral;

(f) which the Investment Manager, acting on behalf of the Issuer, determines in its reasonable business judgment should be treated as a Defaulted Obligation;

(g) which would be treated as a Current Pay Obligation except that such Collateral Debt Obligation would result in the Aggregate Collateral Balance of all Collateral Debt Obligations (excluding any Defaulted Obligations) which constitute Current Pay Obligations exceeding 5 per cent. of the Aggregate Collateral Balance provided that in determining which Collateral Debt Obligations shall be included as Defaulted Obligations in the event the Aggregate Principal Balance of Current Pay Obligations would exceed 5 per cent. of the Aggregate Collateral Balance (for which purpose, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value), the Collateral Debt Obligations with the lowest Market Value shall constitute Defaulted Obligations;

(h) 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 Investment 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 (h) 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; or

(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) other than prior to the Effective Date, the Selling Institution has (x) a Moody's rating of "C" or "Ca" (or below) or in either case had such rating prior to the withdrawal of its Moody's rating or (y) 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;

provided that:

(A) any Collateral Debt Obligation shall cease to be a Defaulted Obligation on the date such obligation no longer satisfies this definition of "Defaulted Obligation";

(B) a Collateral Debt Obligation which is a Corporate Rescue Loan shall constitute a Defaulted Obligation if such Corporate Rescue Loan satisfies this definition of "Defaulted Obligation" other than paragraphs (b) and (h) thereof;

(C) a Collateral Debt Obligation which is a Current Pay Obligation shall not constitute a Defaulted Obligation (other than as provided in sub-paragraph (g) above); and

(D) a Collateral Debt Obligation shall not constitute a "Defaulted Obligation" under paragraph (b) of the definition hereof or paragraph (c) if the Investment Manager has notified the Rating Agencies in writing of its decision not to treat the Collateral Debt Obligation as a Defaulted Obligation.

"**Defaulted Obligation Excess Amounts**" means in respect of a Defaulted Obligation, the greater of:

(a) zero; and

(b) the aggregate of all amounts paid into the Principal Account in respect of such Defaulted Obligation for so long as it is a Defaulted Obligation, minus the sum of the Principal Balance of such Defaulted Obligation outstanding immediately prior to receipt of such amounts.

"**Deferred Interest**" has the meaning given thereto in Condition 6(c)(i) (*Deferred Interest*).

"**Deferred Post-Acceleration Senior Investment Management Amounts**" has the meaning given thereto in Condition 11(b)(iv) (*Enforcement*).

"**Deferred Post-Acceleration Subordinated Investment Management Amounts**" has the meaning given thereto in Condition 11(b)(iv) (*Enforcement*).

"**Deferred Senior Investment Management Amounts**" has the meaning given thereto in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Deferred Subordinated Investment Management Amounts**" has the meaning given thereto in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Deferring Security**" means a PIK Security that is deferring the payment of the current cash interest due thereon and has been so deferring the payment of such interest due thereon:

(a) 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

(b) 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.

"**Definitive Certificate**" means a certificate representing one or more Notes in definitive, fully registered, form.

"**Delayed Drawdown Collateral Debt Obligation**" means a Collateral Debt Obligation (other than a Non-Euro Obligation) 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 Collateral Debt Obligation only: (i) until all commitments to make advances to the borrower expire or are terminated or reduced to zero; (ii) where the making of any advance to the borrower by the Issuer would not cause the Issuer to breach any law or regulation in its jurisdiction or that of the borrower and (iii) where the underlying borrower cannot transfer its rights and obligations to another entity without the Issuer's consent.

"**Determination Date**" means the last Business Day of each Due Period, or if any redemption of the Notes occurs, following the occurrence of an Event of Default, five Business Days prior to the applicable Redemption Date.

"**Discount Obligation**" means any Collateral Debt Obligation that is not a Swapped Non-Discount Obligation and that the Investment Manager determines:

(a) in the case of any Floating Rate Collateral Debt Obligations, is acquired by the Issuer for a purchase price that is lower than the lesser of (i) 80 per cent. of the Principal Balance of such Collateral Debt Obligation (or, if such interest has a Moody's Rating below "B3", such interest is acquired by the Issuer for a purchase price of less than 85 per cent. of its Principal Balance) and (ii) the price of the Eligible Loan Index as of the relevant determination date; provided that such Collateral Debt Obligation shall cease to be a Discount Obligation at such time as the Market Value of such Collateral Debt Obligation, as determined for any period of twenty-two consecutive Business Days since the acquisition by the Issuer of such Collateral Debt Obligation equals or exceeds 90 per cent. of the Principal Balance of such Collateral Debt Obligation; or

(b) in the case of any Fixed Rate Collateral Debt Obligation, is acquired by the Issuer for a purchase price that is lower than the lesser of (i) 75 per cent. of the Principal Balance of such Collateral Debt Obligation (or, if such interest has a Moody's Rating below "B3", such interest is acquired by the Issuer for a purchase price of less than 80 per cent. of its Principal Balance) and (ii) the price of the Eligible Bond Index as of the relevant determination date; provided that such Collateral Debt Obligation shall cease to be a Discount Obligation at such time as the Market Value of such Collateral Debt Obligation, as determined for any period of twenty-two consecutive Business Days since the acquisition by the Issuer of such Collateral Debt Obligation, equals or exceeds 85 per cent. of the Principal Balance of such Collateral Debt Obligation.

"**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 Equity Security (or under or in respect of any Hedge Agreement in respect thereof), as applicable.

"**Dodd-Frank Act**" means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 21 July 2010.

"**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 Investment Manager's reasonable judgment, a substantial portion of such Obligor's operations are located or from which a substantial portion of its revenue is derived, in each case directly or through subsidiaries (which shall be any jurisdiction and country known at the time of designation by the Investment Manager to be the source of the majority of revenues, if any, of such Obligor).

"**Due Period**" means, with respect to any Payment Date, the period commencing on and including the day immediately following the eighth Business Day prior to the preceding Payment Date (or on the Issue Date, in the case of the Due Period relating to the first Payment Date) and ending on and including the eighth Business Day prior to such Payment Date (or, in the case of the Due Period applicable to the Payment Date which is the Redemption Date of any Note, ending on and including the Business Day preceding such Payment Date).

"**Dutch Ineligible Securities**" means:

(a) all securities or interests in securities which are bearer instruments (*effecten aan toonder*) physically located in The Netherlands or registered shares (*aandelen op naam*) in a Netherlands corporate entity where the Issuer owns such bearer instruments or registered shares directly and in its own name;

(b) all securities or interests in securities, the purchase or acquisition of which by or on behalf of the Issuer would cause the breach of applicable selling or transfer restrictions or of applicable Dutch laws relating to the offering of securities or of collective investment schemes;

(c) shares representing 5 per cent. or more of the nominal paid up share capital of or the voting rights in a corporate entity;

(d) obligations or instruments which are convertible into or exchangeable for shares, rights to acquire shares or derivatives referring to shares, where the shares underlying such obligations, instruments, rights or derivatives, alone or together with any shares held at any time by the Issuer, represent 5 per cent. or more of the nominal paid up share capital of or the voting rights in a corporate entity; or

(e) obligations or instruments which are convertible into or exchangeable for any security falling under paragraph (a) above.

"**EBA**" means the European Banking Authority (formerly known as the Committee of European Banking Supervisors), or any successor or replacement agency or authority.

"**Effective Date**" means the earlier of:

(a) the date designated for such purpose by the Investment Manager by written notice to the Trustee, the Issuer, the Rating Agencies and the Collateral Administrator pursuant to the Investment Management and Collateral Administration Agreement, subject to the Effective Date Determination Requirements having been satisfied; and

(b) 4 December 2015 (or, if such day is not a Business Day, the next following Business Day).

"**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 Target Par Amount 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 shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its S&P Collateral Value).

"**Effective Date Moody's Condition**" means a condition that will be satisfied if:

(a) the Trustee is provided with an accountant's certificate recalculating and comparing each element of the Effective Date Report; and

(b) Moody's is provided with the Effective Date Report.

"**Effective Date Rating Event**" means:

(a) 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 any of the Effective Date Determination Requirements) and either:

  (i) the failure by the Investment Manager (acting on behalf of the Issuer) to present a Rating Confirmation Plan to Moody's; or

  (ii) the Investment Manager (acting on behalf of the Issuer) does present a Rating Confirmation Plan to Moody's but Rating Agency Confirmation is not received for the Rating Confirmation Plan; or

(b) 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 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.

"**Effective Date Report**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Eligibility Criteria**" means the Eligibility Criteria specified in the Investment Management and Collateral Administration Agreement which are required to be satisfied in respect of each Collateral Debt Obligation acquired by the Investment 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:

(a) Markit iBoxx EUR High Yield Index; or

(b) any other index selected by the Investment Manager and subject to Rating Agency Confirmation from Moody's.

"**Eligible Investments**" means any investment denominated in Euro that 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 or the Investment 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, in each case satisfying the Eligible Investment Minimum Rating (but excluding (i) "General Services Administration" participation certificates; (ii) "U.S. Maritime Administration guaranteed Title XI financings"; (iii) "Financing Corp. debt obligations"; (iv) "Farmers Home Administration Certificates of Beneficial Ownership"; and (v) "Washington Metropolitan Area Transit Authority guaranteed transit bonds");

(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 ninety days or, following the occurrence of a Frequency Switch Event, one hundred and eighty 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) and such depository institution or trust 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 at the time of such investment;

(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 at the time of such investment or contractual commitment providing for such investment;

(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 ninety two days or, following the occurrence of a Frequency Switch Event, one hundred and eighty three days from their date of issuance;

(f) any other investment similar to those described in paragraphs (a) to (e) (inclusive) above:

(i) in respect of which Rating Agency Confirmation has been received as to its inclusion in the Portfolio as an Eligible Investment;

(ii) which has, in the case of an investment with a maturity of longer than ninety-one calendar days, a long-term credit rating not less than the applicable Eligible Investments Minimum Rating; and

(iii) is an “eligible asset” under Rule 3a-7 of the Investment Company Act (so long as the Trading Requirements are applicable),

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 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 on demand without penalty and having a remaining maturity of less than three hundred and sixty-six calendar days,

provided, however, that Eligible Investments shall not include any mortgage backed security, interest only security, security subject to withholding or similar taxes, security rated with an “f”, “r”, “(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 Investment Manager in its discretion) or any Dutch Ineligible Securities.

"**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 "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; and

(b) for so long as any Notes rated by S&P are Outstanding:

(i) in the case of Eligible Investments with a Stated Maturity of more than sixty 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) a money market fund rating of "AAAm+" from S&P; or

(ii) a short term debt or issuer (as applicable) credit rating of at least "A-1" from S&P in the case of Eligible Investments with a maturity of sixty calendar days or less:

"**Eligible Loan Index**" means:

(a) the Credit Suisse Western European Leveraged Loan Index; or

(b) any other index selected by the Investment Manager and subject to Rating Agency Confirmation from Moody's.

"**EMIR**" means the European Market Infrastructure Regulation (Regulation (EU) No 648/2012) as the same may be amended, varied or substituted from time to time, including any implementing and/or delegated regulation, technical standards and guidance related thereto.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended.

"**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 three month Euro deposits;

(b) following the occurrence of a Frequency Switch Event, as applicable to six 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 12 April 2028, as applicable to three 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 six and nine 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).

"**Euroclear**" means Euroclear Bank SA/NV.

"**Euroclear Security Agreement**" means a Euroclear security agreement dated on or about the Issue Date between the Issuer, the Trustee and the Custodian.

"**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.

"**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 for all Collateral Debt Obligations included in the CCC/Caa Excess, of the product of:

 (i) the Market Value of such Collateral Debt Obligation; and

 (ii) its Principal Balance, in each case of such Collateral Debt Obligation.

"**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended.

"**Exchanged Equity Security**" means an equity security which is not a Collateral Enhancement Obligation or a Dutch Ineligible Security 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 in effect as of the later of:

(a) the Issue Date; and

(b) the date of issuance of the relevant Collateral Debt Obligation.

"**Expense Reserve Account**" means an interest bearing 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 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 paragraph (a) above; or

(c) any agreement pursuant to the implementation of paragraphs (a) or (b) above with the IRS, the U.S. government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Compliance Costs**" means aggregate cumulative costs of the Issuer in order to achieve FATCA compliance including the fees and expenses of the Investment Manager and any other agent or appointee appointed by or on behalf of the Issuer in respect of the Issuer's FATCA compliance.

"**First-Lien Last-Out Loan**" means a loan obligation or Participation in a loan obligation that:

(a) by its terms becomes subordinate in right of payment to any other obligation of the Obligor of the loan solely upon the occurrence of a default or event of default by the Obligor of the loan; and

(b) is secured by a valid perfected first priority security interest or lien in, to or on specified collateral securing the Obligor's obligations under the loan. For the avoidance of doubt, a First-Lien Last-Out Loan shall be treated in all cases as if it is a Second Lien Loan.

"**First Period Reserve Account**" means the interest bearing account described as such in the name of the Issuer with the Account Bank.

"**Fixed Rate Collateral Debt Obligation**" means any Collateral Debt Obligation that bears a fixed rate of interest.

"**Floating Rate Collateral Debt Obligation**" means any Collateral Debt Obligation that bears a floating rate of interest.

"**Floating Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

"**Form Approved Asset Swap**" means an Asset Swap Transaction, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the name and financial aspects of the related Collateral Debt Obligation, the notional amount, the effective date, the termination date and other related and/or immaterial changes) to a form approved by the Rating Agencies from time to time provided that such approval shall be deemed to have been so received in respect of any such form approved by S&P and reviewed by Moody's prior to the Issue Date unless otherwise notified to the Investment Manager (acting on behalf of the Issuer) by one or both Rating Agencies prior to entering into a new Asset Swap Transaction.

"**Form Approved Hedge Agreement**" means either a Form Approved Asset Swap or a Form Approved Interest Rate Hedge.

"**Form Approved Interest Rate Hedge**" means an Interest Rate Hedge Transaction, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the applicable floating rate index, the notional amount, the effective date, the termination date and other related and/or immaterial changes) to a form approved by the Rating Agencies from time to time provided that such approval shall be deemed to have been so received in respect of any such form approved by S&P and reviewed by Moody's prior to the Issue Date unless otherwise notified to the Investment Manager (acting on behalf of the Issuer) by one or both Rating Agencies that such approval has been withdrawn prior to entering into a new Interest Rate Hedge Transaction.

"**Foundation**" means Stichting Jubilee CLO 2015-XV, a foundation (*stichting*) established under the laws of The Netherlands.

"**Frequency Switch Event**" shall occur if, on any Frequency Switch Measurement Date, for so long as any Class A Notes or Class B Notes remain outstanding:

(a) the Aggregate Principal Balance (determined in accordance with the definition thereof, provided that the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value) of all Collateral Debt Obligations which have become Semi-Annual Obligations in the Due Period ending on such Frequency Switch Measurement Date as a result of the change in the frequency of interest payment on such Collateral Debt Obligations, is equal to or greater than 20 per cent. of the Aggregate Collateral Balance (the Aggregate Collateral Balance being determined in accordance with the definition thereof, provided that the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value); and

(b) the ratio (expressed as a percentage) obtained by dividing:

(i) the sum of:

(A) the aggregate of scheduled and projected interest payments (and any commitment fees in respect of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations) which will be due to be paid on each Collateral Debt Obligation during the immediately following Due Period (which, in the case of each such Non-Euro Obligation shall be converted into Euro at the Applicable Exchange Rate) but excluding:

(1) such payments on Defaulted Obligations (other than Current Pay Obligations); and

(2) any such payments as to which the Issuer or the Investment Manager has actual knowledge that such payment will not be made when due; and

(B) the Balance standing to the credit of the Interest Smoothing Account on the Business Day following such Frequency Switch Measurement Date (on the assumption that no Frequency Switch Event shall have occurred on such Frequency Switch Measurement Date and the Investment Manager has credited the applicable Interest Smoothing Amount to the Interest Smoothing Account from the Interest Account on the Business Day following such Frequency Switch Measurement Date pursuant to Condition 3(j)(xiii) (*Interest Smoothing Account*));

by

(ii) the sum of the scheduled Interest Amounts which will fall due on the Class A Notes and the Class B Notes on the second Payment Date following such Frequency Switch Measurement Date and all amounts due and payable pursuant to paragraphs (A) to (F) of Condition 3(c)(i) (*Application of Interest Proceeds*) on such date,

is less than 120.0 per cent.; and

(c) the sum of:

(i) the amount determined pursuant to paragraph (b)(i) above (provided that scheduled and projected principal payments that become due to be paid in the circumstances described therein shall be deemed to be included in addition to scheduled and projected interest payments); and

(ii) the aggregate of scheduled and projected interest payments (and any commitment fees in respect of Revolving Obligations or Delayed Drawdown Collateral Debt Obligations) which will be accrued but not yet paid as at the end of the immediately following Due Period in respect of each Collateral Debt Obligation that has become a Semi-Annual Obligation within the period described in paragraph (a) above (which, in the case of each such Non-Euro Obligation shall be converted into Euro at the Applicable Exchange Rate), but excluding:

(A) such payments on Defaulted Obligations (other than Current Pay Obligations); and

(B) any such payments as to which the Issuer or the Investment Manager has actual knowledge that such payment will not be made when due,

is equal to or greater than the amount determined pursuant to paragraph (b)(ii) above; or

(d) the Investment Manager declares in its sole discretion that a Frequency Switch Event shall have occurred (provided that the requirement of paragraph (c) above is satisfied),

with the projected interest amounts described above being calculated in respect of such Frequency Switch Measurement Date on the basis of the following assumptions:

(X) 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 Frequency Switch Measurement Date;

(Y) the frequency of interest payments on each Collateral Debt Obligation shall not change following such Frequency Switch Measurement Date; and

(Z) EURIBOR for the purposes of calculating Interest Amounts in respect of the Class A Notes and the Class B Notes at all times following such Frequency Switch Measurement Date shall be equal to EURIBOR as determined as at such Frequency Switch Measurement Date.

"**Frequency Switch Measurement Date**" means each Determination Date from (and including) the Determination Date immediately preceding the second Payment Date, provided that following the occurrence of a Frequency Switch Event, no further Frequency Switch Measurement Date shall occur.

"**FTT**" means the financial transaction tax as contemplated by the European Commission pursuant to a proposed directive adopted on 14 February 2013.

"**Funded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Debt 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.

"**Hedge Agreement**" means any Interest Rate Hedge Agreement or any Asset Swap Agreement, as applicable.

"**Hedge Agreement Eligibility Criteria**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Hedge Counterparty**" means any Interest Rate Hedge Counterparty or Asset Swap Counterparty, as applicable.

"**Hedge Replacement Payment**" means any Interest Rate Hedge Replacement Payment or Asset Swap Replacement Payment, as applicable.

"**Hedge Replacement Receipt**" means any Interest Rate Hedge Replacement Receipt or Asset Swap Replacement Receipt, as applicable.

"**Hedge Termination Account**" means the interest bearing account (or accounts) of the Issuer with the Account Bank into which Hedge Termination Receipts and Hedge Replacement Receipts shall be paid, which account (or accounts) shall be maintained in each relevant currency in relation to the Asset Swap Transactions.

"**Hedge Termination Payment**" means any Interest Rate Hedge Termination Payment or Asset Swap Termination Payment, as applicable.

"**Hedge Termination Receipt**" means any Interest Rate Hedge Termination Receipt or Asset Swap Termination Receipt, as applicable.

"**Hedge Transaction**" means any Interest Rate Hedge Transaction or Asset Swap Transaction, as applicable, and "**Hedge Transactions**" means any of them.

"**High Yield Bond**" means 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 Investment 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.

"**IM Exchangeable Non-Voting Notes**" means Notes which:

(a) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on an IM Removal Resolution or an IM 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 IM Voting Notes have a right to vote and be so counted; and

(b) are exchangeable into:

  (i) IM Non-Voting Notes at any time; or

  (ii) IM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor.

"**IM Non-Voting Notes**" means Notes which:

(a) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on an IM Removal Resolution or an IM 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 IM Voting Notes have a right to vote and be so counted; and

(b) are not exchangeable into IM Voting Notes or IM Exchangeable Non-Voting Notes at any time.

"**IM Removal Resolution**" means any Resolution, vote, written direction or consent of the Noteholders in relation to the removal of the Investment Manager in accordance with the Investment Management and Collateral Administration Agreement.

"**IM Replacement Resolution**" means any Resolution, vote, written direction or consent of the Noteholders in relation to the appointment of a successor Investment Manager or any assignment or delegation by the Investment Manager of its rights or obligations, in each case, in accordance with the Investment Management and Collateral Administration Agreement.

"**IM Voting Notes**" means Notes which carry a right to vote, in respect of and be counted for the purposes of determining a quorum and the result of voting on an IM Removal Resolution or an IM Replacement Resolution and all other matters as to which Noteholders are entitled to vote and are exchangeable at any time upon request by the relevant Noteholder into IM Exchangeable Non-Voting Notes or IM Non-Voting Notes.

"**Incurrence Covenant**" means a covenant by any Obligor to comply with one or more financial covenants only upon the occurrence of certain actions of the Obligor, including a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture.

"**Independent Director**" means a duly appointed member of the board of Managing Directors who was not, at the time of such appointment, or at any time in the preceding five years:

(a) a direct or indirect legal or beneficial owner of any Secured Party (other than the Managing Directors) or any of its Affiliates (excluding *de minimis* ownership interests);

(b) a creditor, supplier, employee, officer, director, family member, manager or contractor of any Secured Party (other than the Managing Directors) or its Affiliates; and

(c) a Person who controls (whether directly, indirectly, or otherwise) any Secured Party (other than the Managing Directors) or its Affiliates, provided that, an employee or a director of TMF Structured Finance Services B.V. or TMF Netherlands B.V. shall be considered an Independent Director.

"**Initial Investment Period**" means the period from, and including, the Issue Date to, but excluding, the Effective Date.

"**Initial Purchaser**" means Merrill Lynch International.

"**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 interest bearing account described as such in the name of the Issuer with the Account Bank into which Interest Proceeds are to be paid.

"**Interest Amount**" means:

(a) the amount calculated by the Calculation Agent in accordance with Condition 6(e)(ii) (*Determination of Floating Rate of Interest and Calculation of Interest Amount*); and

(b) in the case of the Subordinated Notes, the amount calculated by the Collateral Administrator in accordance with Condition 6(f) (*Proceeds in respect of Subordinated Notes*).

"**Interest Coverage Amount**" means, on any particular Measurement Date (without double counting), the sum of:

(a) the Balance standing to the credit of the Interest Account; *plus*

(b) the scheduled interest payments (and any commitment fees due but not yet received in respect of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations) 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 excluding:

    (i) accrued and unpaid interest on Defaulted Obligations (excluding Current Pay Obligations) unless such amounts constitute Defaulted Obligation Excess Amounts (in which case such Defaulted Obligation Excess Amounts shall not form part of the exclusion in this paragraph (b)(i));

    (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 Investment Manager has actual knowledge that such payment will not be made; and

    (vii) any Purchased Accrued Interest,

    provided that, in respect of a Non-Euro Obligation this paragraph (b) shall be deemed to refer to the related Scheduled Periodic Asset Swap Counterparty Payment, subject to the exclusions set out above; minus

(c) the amounts payable pursuant to paragraphs (A) to (F) of the Interest Proceeds Priority of Payments on the following Payment Date; minus

(d) any of the above amounts that would be payable into the Interest Smoothing Account on the Business Day after the Determination Date at the end of the Due Period in which such Measurement Date falls; *plus*

(e) any amounts that would be payable from the Expense Reserve Account, the Interest Smoothing Account, the First Period Reserve Account and/or Currency Account to the Interest Account in the Due period relating to such Measurement Date (without double counting any such amounts which have been already transferred to the Interest Account); *plus*

(f) any Scheduled Periodic Interest Rate Hedge Counterparty Payments payable to the Issuer under any Hedge Transaction but to the extent not already included in accordance with paragraph (a) above; *minus*

(g) 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 paragraphs (b)(ii) or (iii) above).

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 then current interest rates applicable thereto.

"**Interest Coverage Ratio**" means the Class A/B Interest Coverage Ratio, the Class C Interest Coverage Ratio, the Class D Interest Coverage Ratio and the Class E Interest Coverage Ratio. For the purposes of calculating an 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 relevant Rated Notes will be calculated using the then current interest rates applicable thereto.

"**Interest Coverage Test**" means the Class A/B Interest Coverage Test, the Class C Interest Coverage Test, the Class D Interest Coverage Test and the Class E Interest Coverage Test.

"**Interest Determination Date**" means the second Business Day prior to the commencement of each Accrual Period.

"**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(i) (*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**" has the meaning given thereto in the definition of Interest Rate Hedge Transaction.

"**Interest Rate Hedge Counterparty**" means each financial institution with which the Issuer enters into an Interest Rate Hedge Transaction or any permitted assignee or successor thereto under the terms of the related Interest Rate Hedge Transaction and in each case which satisfies the applicable Rating Requirement (taking into account any guarantor thereof), and provided always such financial institution has the regulatory capacity, as a matter of Dutch law, to enter into derivatives transactions with Dutch residents.

"**Interest Rate Hedge Replacement Payment**" means any amount payable to an Interest Rate Hedge Counterparty by the Issuer upon entry into a Replacement Interest Rate Hedge Transaction which is replacing an Interest Rate Hedge Transaction which was terminated.

"**Interest Rate Hedge Replacement Receipt**" means any amount payable to the Issuer by an Interest Rate Hedge Counterparty upon entry into a Replacement Interest Rate Hedge Transaction which is replacing an Interest Rate Hedge Transaction which was terminated.

"**Interest Rate Hedge Termination Payment**" means the amount payable to an Interest Rate Hedge Counterparty by the Issuer upon termination or modification of an Interest Rate Hedge Transaction pursuant to the relevant Interest Rate Hedge Agreement excluding, for purposes other than payment by the Issuer, any due and unpaid scheduled amounts payable thereunder.

"**Interest Rate Hedge Termination Receipt**" means the amount payable by an Interest Rate Hedge Counterparty to the Issuer upon termination of an Interest Rate Hedge Transaction pursuant to the relevant Interest Rate Hedge Agreement, 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 amounts payable thereunder.

"**Interest Rate Hedge Transaction**" means each interest rate protection transaction, which may be an interest rate swap transaction, an interest rate cap, an interest rate floor transaction, or an asset specific interest rate swap, in each case, entered into under an 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) (together with the schedule relating thereto, the applicable confirmation including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof, and each as amended or supplemented from time to time, an "**Interest Rate Hedge Agreement**"), which is entered into between the Issuer and an Interest Rate Hedge Counterparty for the sole purpose described within this definition.

"**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)(xiii) (*Interest Smoothing Account*).

"**Interest Smoothing Amount**" means, in respect of each Determination Date on or following the occurrence of a Frequency Switch Event, zero and, in respect of each other Determination Date and for so long as any Rated Notes are Outstanding, an amount equal to the product of:

(a) 0.5; multiplied by

(b) an amount equal to:

(i) the sum of all payments of interest received during the related Due Period in respect of each Semi-Annual Obligation, excluding Semi-Annual Obligations that are Defaulted Obligations (other than Defaulted Obligation Excess Amounts); *minus*

(ii) the sum of all payments of interest scheduled to be received during the immediately following Due Period in respect of each Semi-Annual Obligation (excluding, for the avoidance of doubt, Semi-Annual Obligations that are Defaulted Obligations and any of the amounts set out under limb (b) (i) to and including (b) (vii) of the Interest Coverage Amount definition),

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 is less than or equal to 5 per cent. of the Aggregate Collateral Balance (for such purpose, the Principal Balance of all Defaulted Obligations shall be their S&P Collateral Value), such amount shall be deemed to be zero.

"**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 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 Management Fee**" means each of the Senior Investment Management Fee, the Subordinated Investment Management Fee and the Junior Investment Management Fee.

"**Irish Stock Exchange**" means Irish Stock Exchange plc.

"**IRR**" means the internal rate of return calculated using the "**XIRR**" function in Microsoft Excel® or any equivalent function in another software package that would result in a net present value of zero, assuming:

(a) the issue price of the Subordinated Notes on the Issue Date as the initial cash flow and additionally:

(i) the issue price of any Subordinated Notes issued after the Issue Date; and

(ii) all distributions to the Subordinated Notes on the current and each preceding Payment Date,

as subsequent cash flows (including the Redemption Date, if applicable);

(b) the initial date for the calculation as the Issue Date; and

(c) the number of days to each subsequent Payment Date from the Issue Date calculated on the basis of the actual number of days in an Accrual Period divided by 365.

"**IRS**" means the United States Internal Revenue Service or any successor thereto.

"**Issue Date**" means 4 June 2015 (or such other date as may shortly follow such date as may be agreed between the Issuer and the Initial Purchaser and is notified to the Noteholders in accordance with Condition 16 (*Notices*) and the Irish Stock Exchange).

"**Issue Date Collateral Debt Obligation**" means an obligation for which the Issuer (or the Investment Manager, acting on behalf of the Issuer) has either purchased or entered into a binding commitment to purchase on or prior to the Issue Date.

"**Issuer Dutch Account**" means the account in the name of the Issuer with Rabobank Nederland N.V., Filiale Utrecht, The Netherlands.

"**Issuer Management Agreement**" means the management agreement relating to the Issuer dated on or about the Issue Date between the Issuer and the Managing Directors.

"**Junior Investment Management Fee**" means the fee payable to the Investment Manager in arrear on each Payment Date in accordance with the Priorities of Payment in respect of the immediately preceding Due Period pursuant to the Investment Management and Collateral Administration Agreement in an amount (exclusive of any applicable value added tax), as determined by the Collateral Administrator, equal to 0.10 per cent. per annum (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Aggregate Collateral Balance as at the beginning of such Due Period (and accruing from the Issue Date, but for the avoidance of doubt, on a simple and not a compounding basis), provided that such amount (including amounts accrued from the Issuer Date) will only be payable to the Investment Manager in accordance with the Priorities of Payment if the Junior Investment Management Fee IRR Threshold has been met or surpassed.

"**Junior Investment Management Fee IRR Threshold**" means the threshold which will have been reached on the relevant Payment Date if the Subordinated Notes Outstanding have received an IRR of at least 12 per cent. on the Principal Amount Outstanding of the Subordinated Notes as of the first day of the Due Period preceding such Payment Date (after giving effect to all payments in respect of the Subordinated Notes to be made on such Payment Date).

"**Letter of Undertaking**" means the letter of undertaking from, amongst others, the Issuer and its Managing Directors to the Trustee, the Initial Purchaser and the Investment Manager.

"**Maintenance Covenant**" means a covenant by any Obligor to comply with one or more financial covenants during each reporting period, whether or not such Obligor has taken any specified action.

"**Managing Directors**" means Arthur Weglau, Steffen Ruigrok and Hubertus Mourits or such person(s) who may be appointed as Managing Director(s) of the Issuer from time to time.

"**Mandatory Redemption**" means a redemption of the Notes pursuant to and in accordance with Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

"**Market Value**" means in respect of any Collateral Debt Obligation, on any date of determination and as provided by the Investment Manager to the Collateral Administrator:

(a) the bid price determined by an independent recognised pricing service; or

(b) if such independent recognised pricing service is not available, the mean of the bid prices (in the case of any High Yield Bond, Secured Senior Bond or PIK Security, excluding accrued interest) determined by three independent broker-dealers active in the trading of such Collateral Debt Obligations; 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 or PIK 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 (in the case of any High Yield Bond, Secured Senior Bond or PIK Security, excluding accrued interest) determined by one independent broker-dealer (unless, in each case, the fair market value thereof determined by the Investment Manager pursuant to paragraph (e) 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 higher of:

(A) the lower of:

(1) the S&P Recovery Rate of such Collateral Debt Obligation; and

(2) the Moody's Recovery Rate of such Collateral Debt Obligation; and

(B) 70 per cent. of such Collateral Debt Obligation's Principal Balance; and

(ii) the fair market value thereof determined by the Investment Manager on a best efforts basis in a manner consistent with reasonable and customary market practice, in each case, as notified to the Collateral Administrator on the date of determination thereof, provided however that if the Investment Manager is not a registered investment adviser under the Investment Advisers Act, the Market Value of any such asset may only be determined in accordance with this paragraph (e)(ii) for a maximum of thirty Business Days, following which time if the Market Value cannot be ascertained by a third party, then the Market Value shall be deemed to be zero,

and for the purposes of this definition:

(a) accrued interest shall be excluded; and

(b) "**independent**" shall mean that each pricing service and broker-dealer:

(i) 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

(ii) is not an Affiliate of the Investment Manager.

"**Maturity Date**" means the Payment Date falling in July 2028.

"**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:

(i) firstly, by reference immediately prior to receipt of any Principal Proceeds which are to be reinvested without taking such Principal Proceeds into account; and

(ii) secondly, taking into account on a projected basis, the proposed sale of Collateral Debt Obligations and reinvestment of the Principal Proceeds thereof in Substitute Collateral Debt Obligations;

(c) the date of acquisition of any additional Collateral Debt Obligation following the Effective Date;

(d) each Determination Date;

(e) the date as at which any Report is prepared; and

(f) 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.

"**Mezzanine Obligation**" means a mezzanine loan obligation or other comparable debt obligation, including any such loan obligation with attached warrants and any such obligation which is evidenced by an issue of notes (other than High Yield Bonds), as determined by the Investment Manager in its reasonable business judgment, or a Participation therein.

"**Minimum Denomination**" means:

(a) in the case of the Regulation S Notes of each Class, €100,000;and

(b) in the case of the Rule 144A Notes of each Class, €250,000.

"**Monthly Report**" means the monthly report defined as such in the Investment Management and Collateral Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Investment Manager) on behalf of the Issuer on such dates as are set forth in the Investment Management and Collateral Administration Agreement and is made available by means of a secured website to the Issuer, the Trustee, the Investment Manager, the Initial Purchaser, any Hedge Counterparty, each Rating Agency and 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 Noteholder is a holder of a beneficial interest in any Notes), and which shall include information regarding the status of certain of the Collateral pursuant to the Investment Management and Collateral Administration Agreement.

"**Moody's**" means Moody's Investors Service Ltd and any successor or successors thereto.

"**Moody's Additional Current Pay Criteria**" means criteria satisfied with respect to any Collateral Debt Obligation if such Collateral Debt Obligation has:

(a) a Market Value of at least 85 per cent. of its outstanding principal amount and a Moody's Rating of at least "Caa2"; or

(b) a Market Value of at least 80 per cent. of its outstanding principal amount and a Moody's Rating of at least "Caa1",

and for the purposes of this definition, with respect to a Collateral Debt Obligation already owned by the Issuer whose facility rating from Moody's is withdrawn, the facility rating will be the last outstanding facility rating before such withdrawal.

"**Moody's Caa Obligations**" means all Collateral Debt Obligations, excluding Defaulted Obligations, with a Moody's Rating of "Caa1" or lower.

"**Moody's Collateral Value**" means:

(a) for each Defaulted Obligation and Deferring Security on or after the earlier to occur of (x) the date which falls ninety days after the Collateral Debt Obligation becomes a Defaulted Obligation or Deferring Security and (y) where a Determination Date falls in the ninety day period referred to in (x), the date which falls thirty days after the Collateral Debt Obligation becomes a Defaulted Obligation or Deferring Security, the lower of:

(i) its prevailing Market Value; and

(ii) the relevant Moody's Recovery Rate, multiplied by its Principal Balance; or

(b) in the case of any other applicable Collateral Debt Obligation, the relevant Moody's Recovery Rate multiplied by its Principal Balance.

"**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, one sub-category below the facility rating (whether public or private) of such Corporate Rescue Loan rated by Moody's;

(b) if not determined pursuant to clause (a) above, if the Obligor of such Collateral Debt Obligation has a long-term issuer rating by Moody's, then such long-term issuer rating;

(c) if not determined pursuant to clauses (a) or (b) above, if another obligation of the Obligor is rated by Moody's, then by adjusting the rating of the related Moody's rated obligations of the related Obligor by the number of rating sub-categories according to the table below:

Obligation Category of Rated Obligation	Rating of Rated Obligation	Number of Sub-categories Relative to Rated Obligation 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

(d) if not determined pursuant to clauses (a), (b) or (c) 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 (Public and Monitored)	Collateral Debt Obligation Rated by S&P	Number of Sub-categories Relative to Moody's Equivalent of S&P Rating
Not Structured Finance	>BBB-	Not a Loan or Participation in	-1

Type of Collateral Debt Obligation	S&P Rating (Public and Monitored)	Collateral Debt Obligation Rated by S&P	Number of Sub-categories Relative to Moody's Equivalent of S&P Rating
Security		Loan	
Not Structured Finance Security	<BB+	Not a Loan or Participation in Loan	-2
Not Structured Finance Security	<BB+	Loan or Participation in Loan	-2

(ii) if such Collateral Debt Obligation is not rated by S&P but another security or obligation of the Obligor has a public and monitored rating by S&P (a "**parallel security**"), then the rating of such parallel security will at the election of the Investment Manager be determined in accordance with the table set forth in sub clause (d)(i) above, and the Moody's Derived Rating for the purposes of the definition 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 clause (c) above (for such purposes treating the parallel security as if it were rated by Moody's at the rating determined pursuant to this sub-clause (d)(ii)); or

(iii) 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 any other rating agency; or

(e) if such Collateral Debt Obligation is not rated by Moody's and no other security or obligation of the issuer of such Collateral Debt Obligation is rated by Moody's, and if Moody's has been requested by the Issuer, the Investment Manager or the issuer of such Collateral Debt Obligation to assign a rating or credit estimate with respect to such Collateral Debt Obligation but such rating or credit estimate has not been received, pending receipt of such estimate, the Moody's Derived Rating for purposes of the definition of Moody's Rating and Moody's Default Probability Rating (as applicable) of such Collateral Debt Obligation shall be (x) "**B3**" if the Investment Manager certifies to the Trustee and the Collateral Administrator that the Investment Manager believes that such estimate will be at least "**B3**" and if the aggregate principal balance of Collateral Debt Obligations determined pursuant to this clause (e) does not exceed 5 per cent. of the Aggregate Collateral Balance of all Collateral Debt Obligations or (y) otherwise, "**Caa1**".

"**Moody's Rating**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Moody's Recovery Rate**" means, in respect of each Collateral Debt Obligation, the recovery rate determined in accordance with the Investment Management and Collateral Administration Agreement or as so advised by Moody's.

"**Moody's Test Matrix**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Non-Call Period**" means the period from and including the Issue Date up to, but excluding, the Payment Date falling in July 2017.

"**Non-Eligible Issue Date Collateral Debt Obligation**" has the meaning given thereto in the Investment Management and Collateral Administration Agreement.

"**Non-Emerging Market Country**" means any of Austria, Belgium, Canada, the Channel Islands, Denmark, Finland, France, Germany, Iceland, Republic of Ireland, Italy, Liechtenstein, Estonia, Lithuania, Malta, Slovenia, Luxembourg, The Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, United Kingdom or United States and any other country, the foreign currency issuer credit rating of which is rated, at the time of acquisition of the relevant Collateral Debt Obligation, at least "BBB-" by S&P and the foreign currency country issuer rating of which is rated, at the time of acquisition of the relevant Collateral Debt

Obligation, at least "Baa3" by Moody's (provided that Rating Agency Confirmation is received in respect of any such other 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.

"**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* 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 including any Interest Amounts due and payable (on a *pro-rata* 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 Interest Amounts due and payable and 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 Interest Amounts due and payable and any Deferred Interest thereon (on a *pro-rata* 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 Interest Amounts due and payable and any Deferred Interest thereon (on a *pro-rata* 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 Interest Amounts due and payable and any Deferred Interest thereon (on a *pro-rata* 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 or as soon as the relevant Coverage Test has been remedied, if earlier.

"**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 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 Subordinated Notes becoming properly subject to any withholding tax other than:

    (i) a payment in respect of Deferred Interest becoming properly subject to any withholding tax;

    (ii) withholding tax in respect of FATCA; and

    (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 The Netherlands or other applicable tax authority; or

(b) United Kingdom or U.S. state or federal tax authorities impose net income, profits or similar tax upon the Issuer.

"**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 Investment 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:

(a) the Senior Expenses Cap; over

(b) the sum of (without duplication):

(i) all amounts paid pursuant to paragraphs (B) and (C) of Condition 3(c)(i) (*Application of Interest Proceeds*) on such Payment Date; *plus*

(ii) all Trustee Fees and Expenses and Administrative Expenses paid during the related Due Period.

"**Ongoing Expense Reserve Amount**" means, in respect of any Payment Date, an amount equal to the lesser of:

(a) the Ongoing Expense Reserve Ceiling; and

(b) the Ongoing Expense Excess Amount,

each as at such Payment Date.

"**Ongoing Expense Reserve Ceiling**" means, on any Payment Date, the excess, if any, of €150,000 over the amount then on deposit in the Expense Reserve Account without giving effect to any deposit thereto on such Payment Date pursuant to paragraph (D) of Condition 3(c)(i) (*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 that is similar to the prohibited transaction provisions of section 406 of ERISA and/or section 4975 of the Code.

"**Outstanding**" has the meaning given to it in the Trust Deed.

"**Par Value Ratio**" means the Class A/B Par Value Ratio, Class C Par Value Ratio, the Class D Par Value Ratio, the Class E Par Value Ratio or the Class F Par Value Ratio (as applicable).

"**Par Value Test**" means the Class A/B Par Value Test, Class C Par Value Test, the Class D Par Value Test, the Class E Par Value Test and the Class F Par Value Test.

"**Participation**" means an interest in a Collateral Debt Obligation taken indirectly by the Issuer by way of participation from a Selling Institution which shall include, for the purposes of the Bivariate Risk Table set forth in the Investment Management and Collateral Administration Agreement, Intermediary Obligations.

"**Participation Agreement**" means an agreement between the Issuer and a Selling Institution in relation to the purchase by the Issuer of a Participation.

"**Payment Account**" means the account described as such in the name of the Issuer held with the Account Bank to which amounts shall be transferred by the Account Bank on the instructions of the Collateral Administrator on the Business Day prior to each Payment Date out of certain of the other Accounts in accordance with Condition 3(i) (*Accounts*) and out of which the amounts required to be paid on each Payment Date pursuant to the Priorities of Payment shall be paid.

"**Payment Date**" means:

(a) 12 January, 12 April, 12 July and 12 October at any time prior to the occurrence of a Frequency Switch Event; and

(b) 12 January and 12 April (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either January or April) or 12 July and 12 October (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either July or October), following the occurrence of a Frequency Switch Event,

in each case, in each year commencing on 12 January 2016 up to and including the Maturity Date and any Redemption 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 Investment Management and Collateral Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Investment Manager) on behalf of the Issuer and made available by means of a secured website to the Issuer, the Trustee, the Investment Manager, Merrill Lynch International (in its capacity as Initial Purchaser), any Hedge Counterparty, each Rating Agency and 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 Noteholder is a holder of a beneficial interest in any Notes), by not later than the Business Day preceding the related Payment Date.

"**Permitted Use**" means, with respect to:

(a) any Contribution received into the Contribution Account;

(b) the proceeds from the issue of additional Subordinated Notes in accordance with Condition 17 (*Additional Issuances*); or

(c) any amount deposited in the Collateral Enhancement Account,

any of the following uses:

(a) the transfer of the applicable portion of such amount to the Interest Account for application as Interest Proceeds;

(b) the transfer of the applicable portion of such amount to the Principal Account for application as Principal Proceeds;

(c) 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);

(d) 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

(e) for deposit into the Expense Reserve Account 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 which is a security, the terms of which permit the deferral of the payment of 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.

"**Portfolio**" means the Collateral Debt Obligations, Collateral Enhancement Obligations, Exchanged Equity Securities, Eligible Investments and other similar obligations or securities held by or on behalf of the Issuer from time to time.

"**Portfolio Profile Tests**" means the Portfolio Profile Tests each as defined in the Investment Management and Collateral Administration Agreement.

"**Post-Acceleration Priority of Payments**" means the priority of payments set out in Condition 11 (*Enforcement*).

"**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 the interest bearing account described as such in the name of the Issuer with the Account Bank.

"**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 the 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 the right to give directions or instructions 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*); and provided that solely in connection with an IM Removal Resolution or an IM Replacement Resolution, no Notes held in the form of IM Non-Voting Notes or IM Exchangeable Non-Voting Notes shall (a) be entitled to vote in respect of such IM Removal Resolution or IM Replacement Resolution, or (b) be counted for the purposes of determining a quorum or the result of voting in respect of such IM Removal Resolution or IM Replacement Resolution.

"**Principal Balance**" means with respect to any Collateral Debt Obligation, Eligible Investment, Collateral Enhancement Obligation or Exchanged Equity 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 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 or PIK Security), provided however that:

(a) the Principal Balance of any Revolving Obligation and Delayed Drawdown Collateral Debt Obligation as of any date of determination, shall be the outstanding principal amount of such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, plus any undrawn commitments that

have not been irrevocably cancelled with respect to such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation;

(b) the Principal Balance of each Exchanged Equity Security and each Collateral Enhancement Obligation shall be deemed to be zero;

(c) the Principal Balance of any Asset Swap Obligation shall be the Euro notional amount of the Asset Swap Transaction entered into in respect thereof;

(d) in respect of any Corporate Rescue Loan:

(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, 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 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, 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) above apply then the Principal Balance of such Corporate Rescue Loan shall be zero;

(e) the Principal Balance of any cash shall be the amount of such cash, provided that if such cash amount is in a currency other than Euro it will be converted into Euro at the Applicable Exchange Rate;

(f) the Principal Balance of a Non-Euro Obligation which is not an Asset Swap Obligation shall be the outstanding principal amount thereof multiplied by the Applicable Exchange Rate;

(g) for the purposes of the Portfolio Profile Tests and the Collateral Quality Tests (other than the S&P CDO Monitor Test), the Principal Balance of any Defaulted Obligations shall be zero; and

(h) 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 (d)(ii) of the definition of S&P Rating for a consecutive period of ninety 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 Investment Manager that no credit estimate will be provided for such Collateral Debt Obligation after the expiry of the ninety 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 (d)(ii) 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 (d)(i) 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.

"**Principal Proceeds**" means all amounts paid or payable into the Principal Account from time to time and, with respect to any Payment Date, means Principal Proceeds received or receivable by the Issuer during the related Due Period and any other amounts to be disbursed as Principal Proceeds on such Payment Date pursuant to Condition 3(c)(ii) (*Application of Principal Proceeds*) or Condition 11(b) (*Enforcement*).

"**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 an acceleration of the Notes 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) if 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*) occurs or following an acceleration of the Notes which has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), the Post-Acceleration Priority of Payments.

"**Prospectus**" means the prospectus of Jubilee CLO 2015-XV B.V. dated 2 June 2015.

"**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 amounts paid out of the Unused Proceeds Account and/or amounts advanced under the Warehouse Arrangements.

"**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 each of Austria, Belgium, Bermuda, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Liechtenstein, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, the United States or the United Kingdom having a foreign currency issuer credit rating, at the time of acquisition of the relevant Eligible Investment, of at least "**AA-**" by S&P and "**Aa3**" by Moody's or any other country which has been approved, at the time of acquisition of the relevant Eligible Investment, as a Qualifying Country by way of Rating Agency Confirmation.

"**Qualifying Currency**" means Euro, Sterling, U.S. Dollars, Czech Koruna, Danish Krone, Norwegian Krone, Swedish Krone, Canadian Dollars, Australian Dollars, New Zealand Dollars, Swiss Francs, Japanese Yen, Polish Zloty or any other currency in respect of which Rating Agency Confirmation has been received.

"**Rated Notes**" means 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.

"**Rating Agencies**" means S&P and Moody's, provided that if at any time S&P and/or Moody's 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. If 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 Investment Management and Collateral Administration 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, e-mail 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 or determination if such Rating Agency has declined a request from the Trustee, the Investment Manager or the Issuer to review the effect of such action, determination or appointment or if such Rating Agency announces or confirms to the Trustee, the Investment 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.

"**Rating Confirmation Plan**" means a plan provided by the Investment 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 Investment Management and Collateral Administration Agreement.

"**Rating Requirement**" means:

(a) in the case of the Account Bank and the Principal Paying Agent:

 (i) a short-term senior unsecured debt rating of "P-1" by Moody's and a long-term senior unsecured issuer credit rating of at least "A2" by Moody's; and

 (ii) a long-term issuer credit rating of at least "A" by S&P 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;

(b) in the case of the Custodian:

 (i) a short-term senior unsecured debt rating of "P-1" by Moody's and a long-term senior unsecured issuer credit rating of at least "A2" by Moody's; and

 (ii) a long-term issuer credit rating of at least "A" by S&P 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;

(c) in the case of any Hedge Counterparty, the ratings requirement(s) as set out in the relevant Hedge Agreement;

(d) in the case of a Selling Institution, 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,

provided that in each case:

(a) 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; and

(b) such other rating or ratings will be applicable as may be agreed by the relevant Rating Agency as would maintain the then-current rating of the Rated Notes.

"**Recalcitrant Noteholder**" means a Noteholder who does not comply with the Issuer's request for information or a waiver of law prohibiting disclosure of such information to a tax authority to enable the Issuer to comply with FATCA (including any voluntary agreement entered into with a tax authority pursuant thereto).

"**Receiver**" means a receiver, administrative receiver, trustee, administrator, custodian, conservator, liquidator, curator, bewindvoerder or vereffenaar or other similar official (whether appointed pursuant to the terms of the Trust Deed, pursuant to any statute, by a court or otherwise).

"**Record Date**" means:

(a) in the case of Notes represented by Global Certificates, close of business on the Clearing System Business Day before the relevant due date for payment of principal and interest in respect of such Note; and

(b) in the case of Notes represented by Definitive Certificates, the fifteenth day before the relevant due date for payment of principal and interest in respect of such Note.

"**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)(ix)(*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*).

"**Redemption Notice**" means a redemption notice in the form available from any of the Transfer Agents which has been duly completed by a Noteholder and which specifies, amongst other things, the applicable Redemption Date.

"**Redemption Price**" means, when used with respect to:

(a) any Subordinated Note, such Subordinated Note's *pro-rata* share (calculated in accordance with paragraph (CC) of Condition 3(c)(i) (*Application of Interest Proceeds*), paragraph (T) of Condition 3(c)(ii) (*Application of Principal Proceeds*) or paragraph (Z) of the Post-Acceleration Priority of Payments (as applicable)) 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 Rated Note (i) 100 per cent. of the Principal Amount Outstanding thereof (if any), (including, in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, any Deferred Interest); and (ii) any accrued but unpaid interest thereon to the relevant date of redemption.

"**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 (not taking into account for this purpose any reduction in the Issuer's payment obligations pursuant to the Conditions of the Notes or any other Transaction Documents as a result of any limited recourse provisions) pursuant to Condition 11(b) (*Enforcement*) which rank in priority to payments in respect of the Subordinated Notes in accordance with the Priorities of Payment.

"**Reference Banks**" has the meaning given thereto in paragraph (B) of Condition 6(e)(i) (*Floating Rate of Interest*).

"**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 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 Investment Manager.

"**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 outside of the United States in reliance on Regulation S.

"**Reinvestment Criteria**" has the meaning given to it in the Investment Management and Collateral Administration 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 F Par Value Ratio is at least equal to 104.66 per cent.

"**Reinvestment Period**" means the period from and including the Issue Date up to and including the earliest of:

(a) the end of the Due Period preceding the Payment Date falling in July 2019 or, if such day is not a Business Day, the immediately following Business Day;

(b) 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

(c) the date on which the Investment Manager reasonably believes and notifies the Issuer, the Rating Agencies and the Trustee 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:

(a) the Target Par Amount; *minus*

(b) the amount of any reduction in the Principal Amount Outstanding of the Notes; *plus*

(c) the Principal Amount Outstanding of any additional Notes issued pursuant to Condition 17 (*Additional Issuance*), or, if greater, the aggregate amount of Principal Proceeds that result from the issuance of such additional Notes.

"**Replacement Asset Swap Transaction**" means any Asset Swap Transaction entered into by the Issuer, or the Investment Manager on its behalf, in accordance with the provisions of the Investment Management and Collateral Administration Agreement upon termination of an existing Asset Swap Transaction on substantially the same terms as such terminated Asset Swap Transaction, that preserves for the Issuer the economic effect of the terminated Asset Swap Transaction, subject to such amendments thereto as may be agreed by the Investment Manager, acting on behalf of the Issuer.

"**Replacement Interest Rate Hedge Transaction**" means any Interest Rate Hedge Transaction entered into by the Issuer, or the Investment Manager on its behalf, in accordance with the provisions of the Investment

Management and Collateral Administration Agreement upon termination of an existing Interest Rate Hedge Transaction on substantially the same terms as such terminated Interest Rate Hedge Transaction, that preserves for the Issuer the economic effect of the terminated Interest Rate Hedge Transaction, subject to such amendments thereto as may be agreed by the Investment Manager, acting on behalf of the Issuer.

"**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.

"**Required Diversion Amount**" has the meaning given to it in Condition 3(c)(i)(W) (*Priorities of Payment*).

"**Resolution**" means any Ordinary Resolution or Extraordinary Resolution, as the context may require.

"**Restricted Trading Period**" means any period during which the Class A Notes are Outstanding and:

(a) the S&P rating of the Class A Notes is withdrawn (and not reinstated or upgraded) or is one or more sub categories below its rating on the Issue Date; or

(b) the Moody's rating of the Class A Notes is withdrawn (and not reinstated or upgraded) or is one or more sub categories below its rating on the Issue Date,

provided that in either case such period will not be a Restricted Trading Period if so determined by the Issuer with the consent of the Controlling Class acting by Ordinary Resolution, provided, further, 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.

"**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.

"**Restructured Obligation Criteria**" means the restructured obligation criteria specified in the Investment Management and Collateral Administration 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 provided if an obligation satisfies the Restructured Obligation Criteria at a later date, such later date shall be deemed to be the Restructuring Date for the purposes of determining whether such obligation shall constitute a Restructured Obligation.

"**Retention Event**" means an event which occurs if at any time the Retention Holder or an Affiliate of the Retention Holder transfers the Retention Notes or otherwise sells, hedges or otherwise mitigates its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except that no Retention Event shall occur in respect of a transfer:

(a) that is permitted under the Risk Retention Letter; and

(b) (i) that is permitted under the Retention Requirements; and

(ii) which would not cause the transaction to cease to be compliant with the Retention Requirements.

"**Retention Holder**" means Alcentra Limited in its capacity as retention holder in accordance with the Risk Retention Letter or any permitted transferee in accordance with the Risk Retention Letter and the other Transaction Documents.

"**Retention Notes**" means the Notes of each Class subscribed for by the Investment Manager on the Issue Date and comprising not less than 5 per cent. of the nominal value of each Class of Notes, regardless of whether they are in the form of IM Voting Notes, IM Non-Voting Notes or IM Exchangeable Non-Voting Notes; for the avoidance of doubt, each of (i) the Class A Notes in the form of Class A IM Voting Notes, Class A IM Non-Voting Notes and/or Class A IM Exchangeable Non-Voting Notes; (ii) the Class B Notes in the form of Class B IM Voting Notes, Class B IM Non-Voting Notes and/or Class B IM Exchangeable Non-Voting Notes; (iii) the Class C Notes in the form of Class C IM Voting Notes, Class C IM Non-Voting Notes and/or Class C IM Exchangeable Non-Voting Notes; and (iv) the Class D Notes in the form of Class D IM Voting Notes, Class D IM Non-Voting Notes and/or Class D IM Exchangeable Non-Voting Notes, shall be deemed to constitute single classes.

"**Retention Requirements**" means the CRR Retention Requirements, the AIFMD Retention Requirements and the Solvency II Retention Requirements.

"**Revolving Obligation**" means any Collateral Debt Obligation (other than a Delayed Drawdown Collateral Debt Obligation or a Non-Euro 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 on the Issue Date between the Issuer, the Investment Manager, the Trustee, the Collateral Administrator and Merrill Lynch International in its capacity as Initial Purchaser.

"**Rule 144A**" means Rule 144A under the Securities Act.

"**Rule 144A Notes**" means 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 under the Exchange Act.

"**S&P**" means Standard & Poor's Credit Market Services Europe Limited and any successor or successors thereto.

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

"**S&P CDO Monitor Test**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**S&P Collateral Value**" means:

(a) for each Defaulted Obligation and 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 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 Matrix**” has the meaning given to it in the Investment Management and Collateral Administration Agreement.

“**S&P Minimum Weighted Average Recovery Rate Test**” has the meaning given to it in the Investment Management and Collateral Administration Agreement.

“**S&P Rating**” has the meaning given to it in the Investment Management and Collateral Administration Agreement.

“**S&P Recovery Rate**” means in respect of any Collateral Debt Obligation, the S&P recovery rate determined in accordance with the Investment Management and Collateral Administration Agreement.

“**Sale Proceeds**” means:

(a) all proceeds received upon the sale of any Collateral Debt Obligation (save for any Asset Swap Obligation) excluding any sale proceeds representing accrued interest designated as Interest Proceeds, by the Investment Manager provided that no such designation may be made in respect of:

(i) Purchased Accrued Interest;

(ii) 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;

(iii) proceeds that represent deferred interest accrued in respect of any PIK Security; or

(iv) proceeds representing accrued interest received in respect of any Defaulted Obligation;

unless and until:

(i) such amounts represent Defaulted Obligation Excess Amounts; and

(ii) any Purchased 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 Equity Security;

(b) in the case of any Asset Swap Obligation, all amounts in Euro (or other currencies if applicable) payable to the Issuer by the applicable Asset Swap Counterparty in exchange for payment by the Issuer of the sale proceeds of any Collateral Debt Obligation as described in paragraph (a) above but amended to apply to such Asset Swap Obligation, under the related Asset Swap Transaction (after netting against any Asset Swap Termination Payment (determined without regard to the exclusions of unpaid amounts and Asset Swap Issuer Principal Exchange Amounts set forth in the definition thereof) payable by the Issuer in such circumstances); and

(c) in the case of any Collateral Enhancement Obligation, all proceeds and any fees received upon the sale of such Collateral Enhancement Obligation,

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.

“**Scheduled Periodic Asset Swap Counterparty Payment**” means, with respect to any Asset Swap Transaction, the periodic amounts in the nature of coupon (and not principal) scheduled to be paid to the Issuer by the applicable Asset Swap Counterparty pursuant to the terms of such Asset Swap Transaction, excluding any Asset Swap Termination Receipts, any Asset Swap Replacement Receipts and any Asset Swap Counterparty Principal Exchange Amounts.

"**Scheduled Periodic Asset Swap Issuer Payment**" means, with respect to any Asset Swap Transaction, the periodic amounts in the nature of coupon (and not principal) scheduled to be paid to the applicable Asset Swap Counterparty by the Issuer pursuant to the terms of such Asset Swap Transaction, excluding any Asset Swap Termination Payments, any Asset Swap Replacement Payments and any Asset Swap Issuer Principal Exchange Amounts.

"**Scheduled Periodic Interest Rate Hedge Counterparty Payment**" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Interest Rate Hedge Counterparty to the Issuer pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Interest Rate Hedge Termination Receipt.

"**Scheduled Periodic Interest Rate Hedge Issuer Payment**" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Issuer to the applicable Interest Rate Hedge Counterparty pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Interest Rate Hedge Termination Payment.

"**Scheduled Principal Proceeds**" means:

(a) in the case of any Collateral Debt Obligation (other than an Asset Swap Obligation which is the subject of an Asset Swap Transaction), scheduled principal repayments received by the Issuer (including scheduled amortisation, instalment or sinking fund payments);

(b) in the case of an Asset Swap Obligation which is the subject of an Asset Swap Transaction, the scheduled final and interim payments in the nature of principal payable to the Issuer by the applicable Asset Swap Counterparty under the related Asset Swap Transaction; and

(c) in the case of any Hedge Agreements, any Hedge Replacement Receipts and Hedge Termination Payments transferred from the Hedge Termination Account into the Principal Account.

"**Second Lien Loan**" means (i) an obligation (other than a Secured Senior Loan) 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; or (ii) a First-Lien Last-Out Loan.

"**Secured Party**" means each 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, the Subordinated Noteholders, the Initial Purchaser, the Investment Manager, the Trustee, any Appointee, any Receiver, the Agents, each Reporting Delegate, each Hedge Counterparty and the Managing Directors 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 Investment Manager in its reasonable business judgment, or a Participation therein, provided that:

(a) it is secured (such security being valid and perfected security):

 (i) by 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); and otherwise

 (ii) by 100 per cent. of the equity interests in the shares 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 shares referred to in paragraph (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 shares if an enforcement in respect of such loan occurs, provided such loan represents no more than 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 Collateral Debt Obligation) that is a secured senior loan obligation as determined by the Investment Manager in its reasonable business judgment or a Participation therein, provided that:

(a) it is secured (such security being valid and perfected security):

(i) by 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); and otherwise

(ii) by 100 per cent. of the equity interests in the shares 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 shares referred to in paragraph (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 shares if an enforcement in respect of such loan occurs, provided such loan represents no more than 15 per cent. of the Obligor's senior debt.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**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 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 Expenses Cap**" means, in respect of each Payment Date the sum of:

(a) €300,000 per annum (pro-rated for the Due Period relating to such Payment Date on the basis of a 360 day year comprised of twelve 30-day months); and

(b) 0.02 per cent. per annum (pro-rated for the Due Period relating to such Payment Date on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Aggregate Collateral Balance as at the Determination Date immediately preceding the Payment Date in respect of such Due Period,

provided however that if the amount of Trustee Fees and Expenses and Administrative Expenses paid on each of the three immediately preceding Payment Dates or, if a Frequency Switch Event has occurred, the immediately preceding Payment Date and during the related Due Period (including the Due Period relating to the current Payment Date) is less than the stated Senior Expenses Cap, the amount of such shortfall will be applied to the Senior Expenses Cap with respect to the then current Payment Date. For the avoidance of doubt, any such shortfall may not at any time result in an increase of the Senior Expenses Cap on a per annum basis.

"**Senior Investment Management Fee**" means the fee payable to the Investment Manager in arrear on each Payment Date in accordance with the Priorities of Payment in respect of the immediately preceding Due Period pursuant to the Investment Management and Collateral Administration Agreement in an amount (exclusive of any applicable value added tax therein), as determined by the Collateral Administrator, equal to 0.15 per cent. per annum (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Aggregate Collateral Balance as at the beginning of such Due Period.

"**Senior Loan**" means a collateral debt obligation that is a Secured Senior Loan, an Unsecured Senior Obligation that is a loan (and not a High Yield Bond) or a Second Lien Loan.

"**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 Investment 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 that is similar to the prohibited transaction provisions of section 406 of ERISA and/or section 4975 of the Code.

"**Solvency II Retention Requirements**" means the risk retention requirements and due diligence requirements set out in Article 254 (Risk retention requirements relating to the originators, sponsors or original lenders) and Article 256 (Qualitative requirements relating to insurance and reinsurance undertakings) of Chapter VIII (Investments in Securitisation Positions) of Commission Delegated Regulation (EU) 2015/35 which came into force on 18 January 2015, 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.

"**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.

"**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.

"**Subordinated Investment Management Fee**" means the fee payable to the Investment Manager in arrear on each Payment Date in accordance with the Priorities of Payment in respect of the immediately preceding Due Period, pursuant to the Investment Management and Collateral Administration Agreement in an amount (exclusive of any applicable value added tax therein), as determined by the Collateral Administrator, equal to 0.35 per cent. per annum (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Aggregate Collateral Balance as at the beginning of such Due Period.

"**Subordinated Noteholders**" means the holders of any Subordinated Notes from time to time.

"**Subscription Agreement**" means the subscription agreement between the Issuer and the Initial Purchaser dated on or about 4 June 2015.

"**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 Investment Management and Collateral Administration Agreement and which satisfies both the Eligibility Criteria and the Reinvestment Criteria.

"**Swap Tax Credits**" means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Hedge Counterparty to the Issuer or a reduced payment from the Issuer to the Hedge Counterparty.

"**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 thirty calendar days of such sale;

(b) is purchased at a price (as a percentage of par) equal to or greater than the sale price of the sold Collateral Debt Obligation; and

(c) is purchased at a price not less than the lower of (i) 50 per cent. of the Principal Balance thereof and (ii) the average price of an Eligible Loan Index or Eligible Bond Index (as applicable),

provided that:

(a) to the extent the Aggregate Principal Balance of Swapped Non-Discount Obligations exceeds 5 per cent. of the Aggregate Collateral Balance, such excess will not constitute Swapped Non-Discount Obligations (and, for the avoidance of doubt, will instead constitute Discount Obligations);

(b) to the extent the Aggregate Principal Balance of Swapped Non-Discount Obligations acquired by the Issuer after the Issue Date exceeds 10 per cent. of the Target Par Amount, such excess will not constitute Swapped Non-Discount Obligations (and, for the avoidance of doubt, will instead constitute Discount Obligations); and

(c) such Collateral Debt Obligation will cease to be a Discount Obligation or a Swapped Non-Discount Obligation at such time as the Market Value (expressed as a percentage of par) for such Collateral Debt Obligation on each calendar day during any period of thirty consecutive calendar days since the acquisition of such Collateral Debt Obligation equals or exceeds:

    (i) for a Floating Rate Collateral Debt Obligation, 90 per cent.; or

    (ii) for all other Collateral Debt Obligations, 85 per cent.,

and provided further that, for the purpose of determining which Collateral Debt Obligations qualify as Swapped Non-Discount Obligations, if the Aggregate Principal Balance of Swapped Non-Discount Obligations exceeds 5 per cent. of the Aggregate Collateral Balance, the Collateral Debt Obligations (or any part thereof) constituting Swapped Non-Discount Obligations shall be in the order such assets were acquired by the Issuer (or the Investment Manager on its behalf).

"**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).

"**Target Par Amount**" means €437,775,000.

"**Trading Requirements**" means:

(a) a Collateral Debt Obligation or Eligible Investment, if being acquired by the Issuer, is an "eligible asset" under Rule 3a-7 of the Investment Company Act;

(b) such Collateral Debt Obligation, Exchanged Equity Security or Eligible Investment is being acquired or disposed of in accordance with the terms and conditions set forth in the Trust Deed and the Investment Management and Collateral Administration Agreement;

(c) the acquisition or disposition of such Collateral Debt Obligation, Exchanged Equity Security or Eligible Investment does not result in a reduction or withdrawal of the then-current rating issued by any Rating Agency on any Class of Notes (other than the Subordinated Notes) then outstanding; and

(d) such Collateral Debt Obligation, Exchanged Equity Security or Eligible Investment is not being acquired or disposed of for the primary purpose of recognising gains or decreasing losses resulting from market value changes.

"**Transaction Documents**" means the Trust Deed (including these Conditions), the Agency Agreement, the Subscription Agreement, the Euroclear Security Agreement, the Investment Management and Collateral Administration Agreement, any Hedge Agreements, the Risk Retention Letter, the Collateral Acquisition Agreements, the Participation Agreements, the Issuer Management Agreement, any Reporting Delegation Agreement and any document supplemental thereto or issued in connection therewith.

"**Trustee Fees and Expenses**" means the fees and expenses and all other amounts payable to the Trustee or any Receiver or other Appointee pursuant to the Trust Deed or any other Transaction Document from time to time plus any applicable value added tax thereon payable under the Trust Deed or any other Transaction Document, including indemnity payments and any fees, costs, charges and expenses properly incurred by the Trustee in respect of any Refinancing.

"**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 Collateral Debt Obligation, the excess, if any, of:

(a) the Commitment Amount under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, as the case may be, at such time; over

(b) the Funded Amount thereof at such time.

"**Unfunded Revolver Reserve Account**" means the account of the Issuer established and maintained with the Account Bank pursuant to the Agency Agreement, amounts standing to the credit of which, subject to certain conditions, may be used to fund in full the amount of any unfunded commitments or unfunded liabilities from time to time, in relation to Delayed Drawdown Collateral Debt Obligations and Revolving Obligations.

"**Unscheduled Principal Proceeds**" means:

(a) with respect to any Collateral Debt Obligation (other than an Asset Swap Obligation), principal proceeds received by the Issuer prior to the 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); and

(b) in the case of any Asset Swap Obligation, the Asset Swap Counterparty Principal Exchange Amount payable in respect of the amounts referred to in paragraph (a) above pursuant to the related Asset Swap Transaction, together with:

    (i) any related Asset Swap Termination Receipts but less any related Asset Swap Termination Payments (to the extent any are payable and in each case determined without regard to the exclusions of unpaid amounts and Asset Swap Counterparty Principal Exchange Amounts or (as applicable) Asset Swap 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 Asset Swap Transaction; and

    (ii) any related Asset Swap Replacement Receipts but only to the extent not required for application towards any related Asset Swap 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 Investment Manager in its reasonable business judgment; and

(b) is not secured by:

    (i) 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) 100 per cent. of the equity interests in the shares of an entity owning such fixed assets.

"**Unused Proceeds Account**" means an interest bearing account in the name of the Issuer with the Account Bank into which the Issuer will procure amounts are deposited in accordance with Condition 3(j)(iii) (*Unused Proceeds Account*).

"**U.S. Person**" means a U.S. person as such term is defined under Regulation S.

"**Volcker Rule**" means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended (12 U.S.C. §1851) and the regulations implementing the Volcker Rule issued by the Board of Governors of the Federal Reserve System.

"**Warehouse Arrangements**" means the financing arrangement entered into by the Issuer prior to the Issue Date to finance the acquisition of Collateral Debt Obligations prior to the Issue Date.

"**Weighted Average Life**" is, as of any Measurement Date with respect to all Collateral Debt Obligations other than Defaulted Obligations, the number of years following such date obtained by summing the products obtained by:

(a) 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 dividing such sum by:

(b) the Aggregate Principal Balance at such time of all Collateral Debt Obligations other than Defaulted Obligations.

"**Weighted Average Spread**" has the meaning given to it in the Investment Management and Collateral Administration 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.

2. Form and Denomination, Title, Transfer and Exchange

(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.

(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 sent 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 on registration or transfer will be effected without charge 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 fifteen 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 sixty calendar 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 any holder of an interest in a Rule 144A Note (1) is a U.S. Person and (2) 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 or a Transfer Agent (and notice by such Transfer Agent to the Issuer, if such Transfer Agent makes the determination), send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer 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 thirty calendar days of the date of such notice. If such Non-Permitted Holder fails to effect the transfer of its Rule 144A Notes within such thirty calendar day period, (a) the Issuer shall cause such Rule 144A Notes to be transferred in a sale to a person or entity that certifies to the Issuer and the Transfer Agent, 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. 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 to the Non-Permitted Holder by its acceptance of an interest in the Rule 144A Notes agrees to cooperate with the Issuer 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 none of the Issuer, the Trustee or the Registrar 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 Registrar 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 has 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 Registrar 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*

The Issuer may force the sale of a Noteholder's Notes in order to comply with FATCA, including Notes held by a Noteholder that fails to provide the Noteholder FATCA Information or if the Issuer otherwise reasonably determines that a Noteholder's acquisition or holding of an interest in such a Note would cause the Issuer to be unable to comply with FATCA (and such sale could be for less than its then fair market value). For these purposes, the Issuer shall have the right to sell a Noteholder's interest in its Notes in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA. If the Issuer is required to force such sale, the Issuer shall require the Holder to sell its Notes to a purchaser selected by the Issuer on such terms as the Issuer may choose, subject to the transfer restrictions set out herein. 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 and selling such 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 Noteholder to the Recalcitrant Noteholder by its acceptance of an interest in the Notes agrees to cooperate with the Issuer 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 none of the Issuer, the Trustee or the Registrar 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 reserves the right to require any holder of Notes to provide any information required under FATCA.

(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, or whose beneficial ownership otherwise causes a violation of the 25 per cent. limitation set out in Title I of ERISA and section 4975 of the Code (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 (selected by the Issuer) at a price to be agreed between the Issuer (exercising its sole discretion) 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, 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) *Forced Transfer Mechanics and Registrar Authorisation*

In order to effect the forced transfer provisions set out in Conditions 2(h) (*Forced Transfer of Rule 144A Notes*), 2(i) (*Forced sale pursuant to FATCA*) and 2(j) (*Forced Transfer pursuant to ERISA*), the Issuer may repay any affected Notes at par value and issue replacement Notes and the Issuer, the Trustee, the Agents and the Registrar (each at the expense of the Issuer) shall work with the Clearing Systems to take such action as may be necessary to effect such repayment and issue of replacement Notes. The Noteholders hereby authorise the Registrar and the Clearing Systems to take such actions as are necessary in order to effect the forced transfer provisions set out in Conditions 2(h) (*Forced Transfer of Rule 144A Notes*), 2(i) (*Forced Transfer pursuant to FATCA*) and 2(j) (*Forced Transfer pursuant to ERISA*) above without the need for any further express instruction from any affected Noteholder. The Noteholders shall be bound by any actions taken by the Registrar, the Clearing Systems or any other party taken pursuant to the above-named Conditions.

(l) *Contributions*

At any time during or after the Reinvestment Period, any Noteholder may make a contribution of cash (a "**Contribution**" and each such Noteholder, a "**Contributor**"). The Investment Manager, on behalf of the Issuer, may accept or reject any Contribution in its reasonable discretion and will notify the Collateral Administrator of any such acceptance. If a Contribution is accepted, it will be received into the Contribution Account and applied towards a Permitted Use by the Investment 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 Investment Manager's reasonable discretion) in accordance with Condition 3(j)(xi) (*Contribution Account*). No Contribution or portion thereof will be returned to the Contributor at any time. The acceptance of Contributions shall be subject to the following conditions:

(i) Contributions from Contributors may be made on a maximum of three Business Days and on each occasion shall be a minimum of EUR1,000,000 in aggregate; and

(ii) the Reinvestment Overcollateralisation Test will be satisfied immediately after a Contribution has been received.

(m) *IM Voting Notes and IM Non-Voting Notes*

The Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes may be in the form of IM Voting Notes, IM Non-Voting Notes or IM Exchangeable Non-Voting Notes. IM Voting 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 IM Replacement Resolution and any IM Removal Resolution. IM Non-Voting Notes and IM Exchangeable 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 IM Removal Resolution or any IM Replacement Resolution but shall carry a right to vote on and be counted in respect of all other matters in respect of which the IM Voting Notes have a right to vote and be counted.

IM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into IM Exchangeable Non-Voting Notes or IM Non-Voting Notes. IM Exchangeable Non-Voting Notes shall be exchangeable upon request by the relevant Noteholder into:

(i) IM Non-Voting Notes at any time; or

(ii) IM 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.

IM Non-Voting Notes shall not be exchangeable at any time into IM Voting Notes or IM Exchangeable Non-Voting 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 Issuer and the Registrar or a Transfer Agent

a duly completed exchange request substantially in the form provided in the Trust Deed. It shall be a condition of any exchange of a Definitive Certificate from an IM Voting Note to an IM Non-Voting Note or an IM Exchangeable Non-Voting Note or from an IM Exchangeable Non-Voting Note to an IM Voting Note or an IM Non-Voting Note that the holder of such Definitive Certificate shall indemnify the Issuer against any costs and expenses associated with such exchange.

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 and Non-Petition*). 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 senior to payments of interest on each Payment Date in respect of each other Class; payment of interest on the Class B Notes 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 Subordinated Notes; payment of interest on the Class C Notes 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 Subordinated Notes; payment of interest on the Class D Notes 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 Subordinated Notes; payment of interest on the Class E Notes 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 Subordinated Notes; payment of interest on the Class F Notes 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 Subordinated Notes. Payment of interest on the Subordinated Notes will be subordinated in right of payment to payment of interest in respect of the Rated Notes. Interest on the 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, the 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 Subordinated Notes will be entitled to receive, out of Principal Proceeds, the amounts described under the Principal Proceeds Priority of Payments. Payments on the 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 Subordinated Notes until the Rated Notes and other payments ranking prior to the 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 Investment Manager pursuant to the terms of the Investment

Management and Collateral Administration Agreement on each Determination Date), on behalf of the Issuer (i) on each Payment Date prior to the delivery of an Acceleration Notice in accordance with Condition 10(b) (*Acceleration*); (ii) following delivery of an Acceleration Notice which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*); and (iii) 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), cause 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 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 Dutch corporate income tax in relation to the amounts equal to the minimum profit referred to in (2) below), as certified by an Authorised Officer of the Issuer to the Collateral Administrator, if any, (save for any value added tax payable in respect of any Investment Management Fee or any other tax payable in relation to any amount payable to any person in accordance with the following paragraphs which arise as a result of the payment of that amount to the relevant person); and

(2) secondly, amounts equal to the minimum profit to be retained by the Issuer for Dutch tax purposes, for deposit into the Issuer Dutch 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;

(C) to the payment of Administrative Expenses in the order of 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 Investment Manager's discretion, of an amount equal to the Ongoing Expense Reserve Amount;

(E) to the payment:

(1) firstly, to the Investment Manager of the Senior Investment Management Fee due and payable on such Payment Date and any value added tax in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority) (save for any Deferred Senior Investment Management Amounts) except that the Investment Manager may, in its sole discretion, elect to (x) permanently waive, (y) designate for reinvestment or (z) defer payment of some or all of the amounts that would have been payable to the Investment Manager under this paragraph (E) (any such amounts so designated for reinvestment or deferred being "**Deferred Senior Investment Management Amounts**") on any Payment Date, provided that any such amount (i) permanently waived shall cease to be payable as Senior Investment Management Fee and shall be applied to the payment of amounts in accordance with paragraphs (F) to (Y) and (AA) to (CC) below, (ii) designated for reinvestment shall be used to purchase Substitute Collateral Debt Obligations or be deposited in the Principal Account pending reinvestment in Substitute Collateral Debt Obligations (and shall not be treated as unpaid for the purposes of this paragraph (E) or paragraph (Z)

below), or (iii) deferred shall be applied to the payment of amounts in accordance with paragraphs (F) to (Y) and (AA) to (CC) below, in each case subject to the Investment 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 permanently waived, designated for reinvestment or deferred; and

(2) secondly, to the Investment Manager of any previously due and unpaid Senior Investment Management Fees (other than Deferred Senior Investment Management Amounts or any amounts of Senior Investment Management Fees that have been permanently waived) and any value added tax in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority);

(F) to the payment on a *pro-rata* basis of any Scheduled Periodic Interest Rate Hedge Issuer Payments (to the extent not paid out of the Interest Account) or Scheduled Periodic Asset Swap Issuer Payments due and payable to any applicable Hedge Counterparty (to the extent not paid from funds available in the applicable Asset Swap Account) and Hedge Termination Payments (other than Defaulted Hedge Termination Payments (to the extent not paid out of the Hedge Termination Account));

(G) to the payment on a *pro-rata* basis of all 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 the Class A Notes;

(H) to the payment on a *pro-rata* basis of the Interest Amounts due and payable on the Class B Notes in respect of the Accrual Period ending on such Payment Date;

(I) if (i) the Class A/B Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class A/B Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date following the Effective Date, 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* 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) 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*);

(L) if (i) the Class C Par Value Test is not satisfied on any Determination Date from the Effective Date, or (ii) the Class C Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date following the Effective Date and on 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 satisfied if recalculated following such redemption;

(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) to the payment on a *pro-rata* basis of any Deferred Interest on the Class D Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(O) if (i) the Class D Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class D Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date following the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class D Coverage Test to be satisfied if recalculated following such redemption;

(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) to the payment on a *pro-rata* basis of any Deferred Interest on the Class E Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(R) if (i) the Class E Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class E Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date following the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class E Coverage Test to be satisfied if recalculated following such redemption;

(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* basis of any Deferred Interest on the Class F Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(U) if the Class F Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause the Class F Par Value Test to be satisfied if recalculated following such redemption;

(V) on the Payment Date next following the Effective Date (and on 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 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;

(W) if, on any Determination Date on and after the Effective Date and during the Reinvestment Period, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (V) (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 payment of all amounts payable in respect of paragraphs (A) to (V) (inclusive) above, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met;

(X) in payment of Trustee Fees and Expenses (if any) not paid by reason of the Senior Expenses Cap;

(Y) in payment of Administrative Expenses (if any) in the order of priority stated in the definition thereof not paid by reason of the Senior Expenses Cap.

(Z) to the payment:

(1) firstly, to the Investment Manager of the Subordinated Investment Management Fee due and payable on such Payment Date and any value added tax in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority) (save for any Deferred Subordinated Management Amount) until such amount has been paid in full except that the Investment Manager may, in its sole discretion, elect to (x) permanently waive or (y) defer payment (any such amounts so deferred being "**Deferred Subordinated Investment Management Amounts**") of some or all of the amounts that would have been payable to the Investment Manager under this paragraph (Z) on any Payment Date, provided that (i) any such amounts so permanently waived shall cease to be payable as Subordinated Investment Management Fee and shall be applied to the payment of amounts in accordance with paragraphs (AA) to (CC) (inclusive) below and (ii) any such amounts so deferred shall either:

(a) be used to purchase Additional Collateral Debt Obligations; or

(b) be deposited in the Principal Account pending reinvestment in Substitute Collateral Debt Obligations; or

(c) be applied to the payment of amounts in accordance with paragraphs (AA) to (CC) (inclusive) below,

in each case subject to the Investment 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 permanently waived or deferred; and

(2) secondly, to the Investment Manager of any previously due and unpaid Subordinated Investment Management Fee (other than Deferred Subordinated Investment Management Amounts or any amounts of Subordinated Investment Management Fees that have been permanently waived) and any value added tax in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority); and

(3) thirdly, at the election of the Investment Manager (at its sole discretion) to the Investment Manager in payment of any previously Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts and any value added tax in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority);

(AA) 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 (F) above;

(BB) during the Reinvestment Period at the direction and in the discretion of the Investment Manager, to transfer to the Collateral Enhancement Account, any Collateral Enhancement Amount; and

(CC) (1) if the Junior Investment Management Fee IRR Threshold has not been reached, any remaining Interest Proceeds to the payment of interest on the

Subordinated Notes on a *pro-rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Junior Investment Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including pursuant to sub-paragraph (1) above, and paragraph (T) of the Principal Proceeds Priority of Payments, the Junior Investment Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) up to 20 per cent. of any remaining Interest Proceeds, to the payment to the Investment Manager as the Junior Investment Management Fee and any value added tax thereon whether payable to the Investment Manager or directly to the relevant tax authority; and

(b) any remaining Interest Proceeds after the payment of the Junior Investment Management Fee pursuant to (a) above, to the payment of interest on the Subordinated Notes on a *pro-rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

(ii) *Application of Principal Proceeds*

Principal Proceeds 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, on a sequential basis, of the amounts referred to in paragraphs (A) to (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 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 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 if 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 if the Class C Notes are the Controlling Class;

(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 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 satisfied;

(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 if 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 if the Class D Notes are the Controlling Class;

(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 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 satisfied;

(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 if 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 if the Class E Notes are the Controlling Class;

(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 necessary to cause the Class E Coverage Tests that are applicable on such Payment Date with respect to the Class E Notes to be satisfied;

(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 if 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 if 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 and only to the extent necessary to cause the Class F Par Value Test that is applicable on such Payment Date with respect to the Class F Notes to be satisfied;

(O) to the payment of the amounts referred to in paragraph (V) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(P) to the payment of an amount equal to the Special Redemption Amount (if any) applicable to such Payment Date if it is a Special Redemption Date falling during the Reinvestment Period;

(Q) (1) during the Reinvestment Period, at the discretion of the Investment Manager, either to purchase Substitute Collateral Debt Obligations or to credit the Principal Account pending reinvestment in Substitute Collateral Debt Obligations at a later date in each case in accordance with the Investment Management and Collateral Administration Agreement;

(2) after the Reinvestment Period in the case of Principal Proceeds representing Unscheduled Principal Proceeds, Sale Proceeds from the sale of Credit Impaired Obligations and Sale Proceeds from the sale of Credit Improved Obligations at the discretion of the Investment Manager, either to purchase Substitute Collateral Debt Obligations or to credit the Principal Account pending reinvestment in Substitute Collateral Debt Obligations at a later date in each case in accordance with the Investment Management and Collateral Administration Agreement;

(R) after the Reinvestment Period, to redeem the Notes in accordance with the Note Payment Sequence;

(S) to the payment on a sequential basis of the amounts referred to in paragraphs (X) to (AA) (inclusive) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(T) (1) if the Junior Investment Management Fee IRR Threshold has not been reached, any remaining Principal Proceeds to the payment on the Subordinated Notes on a *pro-rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Junior Investment Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including pursuant to paragraph (1) above and, paragraph (CC) of the Interest Proceeds Priority of Payments the Junior Investment Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) up to 20 per cent. of any remaining Principal Proceeds, to the payment to the Investment Manager as the Junior Investment Management Fee and any value added tax thereon whether payable to the Investment Manager or directly to the relevant tax authority; and

(b) any remaining Principal Proceeds after the payment of the Junior Investment Management Fee pursuant to paragraph (a) above, to the payment of principal on the Subordinated Notes on a *pro-rata* basis and thereafter to the payment of interest on the Subordinated Notes on a *pro-rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

Where the payment of any amount in accordance with the Priorities of Payment set out above is subject to any deduction or withholding for or on account of any tax or any other tax is payable by or on behalf of the Issuer in respect of any such amount, payment of the amount so deducted or withheld or of the tax so due 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 or other liability to tax has arisen.

(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 or the Class B Notes pursuant to Condition 6 (*Interest*) and the Interest Proceeds Priority of Payments 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 continuous Business Days (or seven continuous Business Days in the case of such failure being due to an administrative error or omission by the Investment Manager, the Collateral Administrator or any Paying Agent), save in each case as the result of any deduction therefrom or the imposition of withholding thereon as set forth in Condition 9 (*Taxation*). Failure on the part of the Issuer to pay Interest Amounts on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes or the Subordinated Notes as a result of the insufficiency of available Interest Proceeds or, with respect to the Subordinated Notes, Interest Proceeds or Principal Proceeds, shall not at any time 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 or waived Investment Management Fees (and value added tax payable in respect thereof), if non-payment of any amounts referred to in the Interest Proceeds Priority of Payments or the Principal Proceeds Priority of Payments occurs 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 Investment Manager, as of each Determination Date, calculate the amounts payable on the applicable Payment Date pursuant to the Priorities of Payment and will notify the Issuer and the Trustee of such amounts. The Account Bank (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 p.m. (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 Collateral Enhancement 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, the Principal Proceeds Priority of Payments and the Post-Acceleration 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 may, in consultation with the Investment 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 Subordinated Notes from time to time pursuant to the Priorities of Payment so that the amount to be so applied in respect of each Class A Note, Class B Note, Class C Note, Class D Note, Class E Note, Class F Note and the Subordinated Notes 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 a.m. (London time) on the Business Day preceding the applicable Payment Date by way of 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 Investment Manager, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and (in the absence as referred to above) no liability to the Issuer or the Noteholders shall attach to the Collateral Administrator in connection with the exercise or non-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 Collateral Enhancement Account;
- the Expense Reserve Account;
- the Unfunded Revolver Reserve Account;
- the Contribution Account;
- the Counterparty Downgrade Collateral Account(s);
- the Hedge Termination Account(s);
- the Asset Swap Account(s);
- the Custody Account;
- the First Period Reserve Account;
- the Interest Smoothing Account,

which Accounts are held and administered from outside of The Netherlands.

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 The Netherlands but which has the necessary regulatory capacity and licences to perform the services required by it in The Netherlands. If the Account Bank at any time fails to satisfy the Rating Requirement, the Issuer shall use reasonable endeavours to procure that a replacement Account Bank 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 Investment Manager on behalf of the Issuer in Eligible Investments.

All interest accrued on any of the Accounts (other than the 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 (other than the Counterparty Downgrade Collateral Account) pursuant to the provisions of this Condition 3 (*Status*) are denominated in a currency other than Euro, the Investment Manager, acting on behalf of the Issuer, may convert such amounts into the currency of the Account at the Spot Rate as determined by the Collateral Administrator at the direction of the Investment 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 Expense Reserve Account, (iv) the Collateral Enhancement Account and (v) all interest accrued on the Accounts and (vi) the Counterparty Downgrade Collateral Account) 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 Expense

Reserve Account, the Collateral Enhancement Account, the Interest Smoothing 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.

Application of amounts in respect of Swap Tax Credits 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 Principal Proceeds (save for those in respect of any Asset Swap Obligations) are paid into the Principal Account promptly, upon receipt:

(A) all principal payments received in respect of any Collateral Debt Obligation including, without limitation, save to the extent that they relate to Asset Swap Obligations:

(1) Scheduled Principal Proceeds, other than any Interest Rate Hedge Replacement Receipts or Interest Rate Hedge Termination Receipts;

(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 Collateral Debt Obligation, to the extent required to be paid into the Unfunded Revolver Reserve Account;

(B) any Asset Swap Counterparty Principal Exchange Amount (other than any payments from an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction, which shall be paid into the relevant Asset Swap Account) received by the Issuer under any Asset Swap Transactions;

(C) the Balance standing to the credit of the relevant Hedge Termination Account in the circumstances described under Condition 3(j)(viii) (*Hedge Termination Account*) below;

(D) amounts received in respect of any Asset Swap Obligation which are not required to be paid to the applicable Asset Swap Counterparty pursuant to the related Asset Swap Transaction but which are required, pursuant to the Investment Management and Collateral Administration Agreement, to be paid into the Principal Account following conversion thereof into Euro at the Applicable Exchange Rate;

(E) 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) and amounts representing the element of deferred interest in any payments received in respect of any PIK Security;

(F) 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;

(G) all fees and commissions received in connection with the purchase or sale of any Collateral Debt Obligations or Eligible Investments (other than any steering committee fees, which the Investment Manager shall be entitled to retain provided that any fees received in connection with the extension of the maturity of a Defaulted Obligation or a reduction in the outstanding principal balance of a Defaulted Obligation shall be deposited into the Principal Account) as determined by the Investment Manager in its reasonable discretion;

(H) all Sale Proceeds received in respect of a Collateral Debt Obligation (save for any Asset Swap Obligation);

(I) all Distributions and Sale Proceeds received in respect of Exchanged Equity Securities;

(J) all Collateral Enhancement Obligation Proceeds;

(K) all Purchased Accrued Interest;

(L) amounts transferred to the Principal Account from any other Account as required below;

(M) 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;

(N) any other amounts received in respect of the Collateral which are not required to be paid into another Account;

(O) all amounts transferred to the Issuer from the Counterparty Downgrade Collateral Account in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*);

(P) all amounts transferred from the Collateral Enhancement Account;

(Q) all amounts transferred from the Expense Reserve Account or Unused Proceeds Account;

(R) all amounts payable into the Principal Account pursuant to paragraph (W) of the Interest Proceeds Priority of Payments upon the failure to meet the Reinvestment Overcollateralisation Test during the Reinvestment Period;

(S) all principal and interest payments including Sale Proceeds 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 have not been sold by the Investment Manager in accordance with Investment Management and Collateral Administration Agreement, other than any Purchased 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 Investment Management and Collateral Administration Agreement; and

(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*).

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 Investment Manager (on behalf of the Issuer) pursuant to the Investment Management and Collateral Administration Agreement (including any payments to an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction) for a period beyond such Payment Date, provided in each case, such amounts are not required to be used to pay any amounts due and payable in accordance with the Principal Proceeds Priority of Payments or to settle any acquisitions for which the Issuer (or the Investment Manager acting on its behalf) has entered into binding commitments to purchase but which have not yet settled.

If the Coverage Tests are not satisfied, Principal Proceeds from Defaulted Obligations may not be designated for reinvestment by the Investment Manager (on behalf of the Issuer) until after the following Payment Date. No such payment to the Payment Account 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 Investment Manager, acting on behalf of the Issuer, in accordance with the terms of, and to the extent permitted under, the Investment Management and Collateral Administration Agreement, in the acquisition of Collateral Debt Obligations including amounts equal to the Unfunded Amounts of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations which are required to be deposited in the Unfunded Revolver Reserve Account; and

(3) on any Payment Date, at the discretion of the Investment Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Investment Management and Collateral Administration Agreement, in payment of the purchase price of any Notes purchased by the Issuer in accordance with Condition 7(k) (*Purchase*).

(ii) *Interest Account*

The Issuer will procure that the following Interest Proceeds are credited to the Interest Account promptly upon receipt thereof:

(A) all cash payments of interest in respect of the Collateral Debt Obligations (save for any Asset Swap Obligation) other than any Purchased 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 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 (other than the Counterparty Downgrade Collateral Account) (including interest on any Eligible Investments standing to the credit thereof);

(C) all amendment and waiver fees, all late payment fees, all commitment fees, delayed compensation and all other fees and commissions received in connection with any Collateral Debt Obligations and Eligible Investments as determined by the Investment Manager in its reasonable discretion, other than:

(1) fees and commissions received in connection with the purchase or sale of any Collateral Debt Obligations or Eligible Investments which fees and commissions shall be payable into the Principal Account and shall constitute Principal Proceeds;

(2) steering committee fees, which the Investment Manager shall be entitled to retain provided that any fees received in connection with the extension of the maturity of a Defaulted Obligation or a reduction in the outstanding principal balance of a Defaulted Obligation shall be deposited into the Principal Account; or

(3) fees and commissions received in connection with the restructuring of any Defaulted Obligation;

(D) all Scheduled Periodic Asset Swap Counterparty Payments received by the Issuer under an Asset Swap Transaction and all Scheduled Periodic Interest Rate Hedge Counterparty Payments received by the Issuer under an Interest Rate Hedge Transaction;

(E) all accrued interest included in the proceeds of sale of any other Collateral Debt Obligation that are designated by the Investment Manager as Interest Proceeds pursuant to the Investment Management and Collateral Administration Agreement, provided that no such designation may be made in respect of:

(1) any Purchased Accrued Interest;

(2) (a) 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

(b) a Defaulted Obligation save for Defaulted Obligation Excess Amounts;

(F) all proceeds received during the related Due Period from any additional issuance of Subordinated Notes that are not reinvested or retained for reinvestment in Collateral Debt Obligations;

(G) 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;

(H) amounts transferred to the Interest Account from the Unused Proceeds Account in the circumstances described under Condition 3(j)(iii) (*Unused Proceeds Account*) below;

(I) all scheduled commitment fees received by the Issuer in respect of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations;

(J) 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 Collateral Debt Obligation in an account established pursuant to an ancillary facility;

(K) all amounts transferred from the Collateral Enhancement Account;

(L) all amounts transferred from the Expense Reserve Account;

(M) all amounts transferred from the First Period Reserve Account;

(N) any Swap Tax Credit received by the Issuer; and

(O) any Interest Smoothing Amounts which are required to be transferred from the Interest Smoothing Account.

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 (except for Swap Tax Credit) 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;

(2) at any time, funds may be transferred to the relevant Asset Swap Account up to an amount equal to any shortfall in the Balance standing to the credit of such Account with respect to any payment obligation by the Issuer pursuant to paragraph (B) of Condition 3(j)(ix) (*Asset Swap Account*) at such time;

(3) at any time, any amounts payable by the Issuer under any Interest Rate Hedge Transaction save for any Interest Rate Hedge Termination Payments that are Defaulted Hedge Termination Payments;

(4) at any time in accordance with the terms of, and to the extent permitted under, the Investment Management and Collateral Administration Agreement, in the acquisition of Collateral Debt Obligations to the extent that any such acquisition costs represent accrued interest;

(5) at any time, any Swap Tax Credit shall be paid to the relevant Hedge Counterparty in accordance with the terms of the relevant Hedge Agreement; and

(6) on the Business Day following each Determination Date save for (i) the first Determination Date following the Issue Date; (ii) a Determination Date following the occurrence of an Event of Default which is continuing; (iii) the Determination Date immediately prior to any redemption of the Notes in full; and (iv) any Determination Date on or following the occurrence of a Frequency Switch Event, the Interest Smoothing Amount, if any, applicable to the related Determination Date to the Interest Smoothing Account.

(iii) *Unused Proceeds Account*

The Issuer will procure that the following amounts are credited to the Unused Proceeds Account, as applicable:

(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; and

(2) amounts payable into the Expense Reserve Account; and

(3) amounts payable into the First Period Reserve Account; and

(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.

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 applicable sub-ledger 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 Investment Management and Collateral Administration Agreement, in the acquisition of Collateral Debt Obligations including any amounts payable by the Issuer to an Asset Swap Counterparty in respect of initial principal exchange amount in relation to an Asset Swap Obligation;

(3) if an Effective Date Rating Event occurs, 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, 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; and

(4) on or after the Effective Date, the Balance standing to the credit of the Unused Proceeds Account, to the Principal Account or the Interest Account, in each case, at the discretion of the Investment Manager, acting on behalf of the Issuer, 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 of which equals or exceeds the Target Par Amount (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 shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its S&P Collateral Value); and

(b) no more than 1 per cent. of the Target Par Amount may be transferred to the Interest Account.

(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 cause 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 Account*

The Issuer will procure that all Counterparty Downgrade Collateral transferred pursuant to a Hedge Agreement shall be deposited in a separate 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 the 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 of the Interest Proceeds (other than in the circumstances set out below) and accordingly, are not available to fund general distributions of the Issuer. The amounts standing to the credit of the applicable Counterparty Downgrade Collateral Account shall not be commingled with any other funds from any party.

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. 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 Hedge Agreement) in respect of all "Transactions" entered into under the relevant Hedge Agreement pursuant to which all "Transactions" under the Hedge Agreement are terminated early, solely in or towards payment or transfer of:

(1) any "Return Amounts" (as defined in the applicable Hedge Agreement);

(2) any "Interest Amounts" and "Distributions" (each as defined in the applicable Hedge Agreement); and

(3) any return of collateral to the Hedge Counterparty upon a novation of its obligations under the Hedge Agreement to a replacement Hedge Counterparty, directly to the Hedge Counterparty in accordance with the terms of the "Credit Support Annex" of such Hedge Agreement;

(B) following the designation of an "Early Termination Date" in respect of all "Transactions" under a Hedge Agreement pursuant to which all "Transactions" under the Hedge Agreement are terminated early where (A) an "Event of Default" (as defined in the Hedge Agreement) in respect of the Hedge Counterparty or an "Additional Termination Event" (as defined in the Hedge Agreement) in relation to which the Hedge Counterparty is the sole "Affected Party" (as defined in the Hedge Agreement) and (B) the Issuer enters into a replacement Hedge Agreement or any novation of the Hedge Counterparty's obligations to a replacement Hedge Counterparty on or around the "Early Termination Date" (as defined in the Hedge Agreement), in the following order of priority:

(1) first, in or towards payment of any Hedge Replacement Payment (to the extent not funded from the Hedge Termination Account);

(2) second, in or towards payment of any Hedge Termination Payment (to the extent not funded from the Hedge Termination Account); and

(3) third, the surplus remaining (if any) (the "**Counterparty Downgrade Collateral Account Surplus**") be transferred to the Principal Account;

(C) following the designation of an "Early Termination Date" (as defined in the Hedge Agreement) in respect of all "Transactions" (as defined in the Hedge Agreement) under a Hedge Agreement pursuant to which all "Transactions" under the Hedge Agreement are terminated early (A) other than in respect of an "Event of Default" (as defined in the Hedge Agreement) in respect of the Hedge Counterparty and other than in respect of an "Additional Termination Event" (as defined in the Hedge Agreement) in relation to which the Hedge Counterparty is the sole "Affected Party" (as defined in the Hedge Agreement) and (B) the Issuer enters into a replacement Hedge Agreement or any novation of the Hedge Counterparty's obligations to a replacement Hedge Counterparty on or around the "Early Termination Date" (as defined in the Hedge Agreement) of the Hedge Agreement, in the following order of priority:

(1) first, in or towards payment of any Hedge Termination Payment (to the extent not funded from the Hedge Termination Account);

(2) second, in or towards payment of any Hedge Replacement Payment (to the extent not funded from the Hedge Termination Account); and

(3) third, the Counterparty Downgrade Collateral Account Surplus be transferred to the Principal Account; and

(D) following the designation of an "Early Termination Date" (as defined in the Hedge Agreement) in respect of all "Transactions" (as defined in the Hedge Agreement) under a Hedge Agreement pursuant to which all "Transactions" (as defined in the Hedge Agreement) under the Hedge Agreement are terminated early, if for any reason the Issuer is unable to or elects not to enter into a replacement Hedge Agreement or any novation of the Hedge Counterparty's obligations to a replacement Hedge Counterparty on or around the "Early Termination Date" (as defined in the Hedge Agreement), in the following order of priority:

(1) first, in or towards payment of any Hedge Termination Payment (to the extent not funded from the Hedge Termination Account); and

(2) second, the Counterparty Downgrade Collateral Account Surplus be transferred to the Principal Account.

(vi) *Collateral Enhancement Account*

The Issuer will procure that, on each Payment Date, any Collateral Enhancement Amount applied in payment into the Collateral Enhancement Account pursuant to paragraph (BB) of the Interest Proceeds Priority of Payments, is credited to the Collateral Enhancement 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 Collateral Enhancement Account:

(A) at any time, to the Principal Account for either:

(1) during the Reinvestment Period to reinvest in Substitute Collateral Debt Obligations; or

(2) otherwise for distribution on the next following Payment Date in accordance with the Priorities of Payment;

(B) at any time, at the direction of the Issuer (or the Investment Manager acting on its behalf), to the Interest Account for distribution in accordance with the Priorities of Payment or for a Permitted Use;

(C) 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 Investment Management and Collateral Administration Agreement;

(D) at any time, at the direction of the Issuer (or the Investment Manager acting on its behalf), to purchase any Rated Notes in accordance with Condition 7(k) (*Purchase*);

(E) 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; and

(F) the Balance standing to the credit of the Collateral Enhancement 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 Investment 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) *The 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 or Delayed Drawdown Collateral Debt 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 Collateral Debt Obligations (which Unfunded Amounts will be treated as part of the purchase price for the related Revolving Obligation or Delayed Drawdown Collateral Debt 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 Collateral Debt Obligation, if and to the extent that the amount of such principal payments may be re-borrowed under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation or otherwise by the Investment Manager, acting on behalf of the Issuer; and

(C) all repayments of collateral to the Issuer originally paid by the Issuer pursuant to (1) 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 Collateral Debt Obligation or Revolving Obligation;

(2) in respect of Delayed Drawdown Collateral Debt 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 Collateral Debt Obligation (subject to such security documentation as may be agreed between such lender, the Investment Manager acting on behalf of the Issuer and the Trustee);

(3) (a) at any time at the direction of the Investment Manager (acting on behalf of the Issuer); or

(b) 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 (x) the amount standing to the credit of the Unfunded Revolver Reserve Account over (y) the sum of the Unfunded Amounts of all Revolving Obligations and Delayed Drawdown Collateral Debt 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) *Hedge Termination Account*

The Issuer will procure that all Hedge Termination Receipts 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 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 Termination Receipts 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 Interest Rate Hedge Transaction or a Replacement Asset Swap Transaction, as applicable in accordance with the Investment Management and Collateral Administration Agreement; and

(C) in the case of any Hedge Termination Receipts paid into the relevant Hedge Termination Account, if:

(1) the termination of the Hedge Transaction under which such Hedge Termination Receipts are payable occurs on a Redemption Date; or

(2) to the extent that such Hedge Termination Receipts are not required for application towards costs of entry into a Replacement Interest Rate Hedge Transaction or a Replacement Asset Swap Transaction, as applicable,

in payment of such amounts (save for accrued interest thereon) to the Principal Account.

(ix) *Asset Swap Account*

The Issuer will procure that all amounts due to the Issuer in respect of each Asset Swap Obligation (including, any payments from an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction) shall, on receipt, be deposited in the Asset Swap Account maintained in the currency of such Asset Swap Obligation. Additional amounts may also be transferred to the relevant Asset Swap Account from the Interest Account at any time to the extent of any shortfall in the Balance standing to the credit of the relevant Asset Swap Account in respect of any payment required to be made by the Issuer pursuant to paragraph (B) below at such time.

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 relevant Asset Swap Account:

(A) at any time, to the extent of any initial principal exchange amount deposited into the relevant Asset Swap Account in accordance with the terms of and to the extent permitted under the Investment Management and Collateral Administration Agreement, in the acquisition of Asset Swap Obligations;

(B) Scheduled Periodic Asset Swap Issuer Payments due to each Asset Swap Counterparty pursuant to each Asset Swap Transaction;

(C) Asset Swap Issuer Principal Exchange Amounts (other than any initial asset swap principal exchange amount denominated in Euro and due to an Asset Swap Counterparty pursuant to an Asset Swap Transaction, which shall be paid from the Principal Account or Unused Proceeds Account) due to each Asset Swap Counterparty pursuant to each Asset Swap Transaction; and

(D) cash amounts (representing any excess standing to the credit of the relevant Asset Swap Account after provisioning for any amounts to be paid to any Asset Swap Counterparty pursuant to any Asset Swap Transaction) to the Principal Account after conversion thereof into Euro at the then Applicable Exchange Rate.

(x) *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 paragraph (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 Investment 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.

(xi) *Contribution Account*

At any time during or after the Reinvestment Period, any Contributor may make a Contribution to the Issuer. The Investment 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. 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 Investment Manager's reasonable discretion, as follows:

(A) 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 Investment Management and Collateral Administration Agreement;

(B) at any time, at the direction of the Issuer (or the Investment Manager acting on its behalf), for a Permitted Use;

(C) 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

(D) 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 Investment 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 accepted by the Investment Manager acting on behalf of the Issuer will be returned to the Contributor at any time. 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.

(xii) *First Period Reserve Account*

The Issuer shall direct the Account Bank to deposit €500,000 to the First Period Reserve Account on the Issue Date. On the Determination Date relating to the first Payment Date all of the funds in the First Period Reserve Account shall be transferred to the Interest Account for distribution on the first Payment Date.

(xiii) *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) any Determination Date on or following the occurrence of a Frequency Switch Event,

the applicable Interest Smoothing Amount (if any) shall be credited to the 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 Interest Smoothing Amount was transferred to the Interest Smoothing Account, such Interest Smoothing Amount to be transferred to the Interest Account.

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 Investment Management and Collateral Administration Agreement and the Subscription 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 Equity Securities, Collateral Enhancement Obligations and Eligible Investments standing to the credit of each of the Accounts (other than the Counterparty Downgrade Collateral Account) and any other investments (other than 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 Equity Securities, Collateral Enhancement Obligations and Eligible Investments standing to the credit of each of the Accounts (other than the Counterparty Downgrade Collateral Account) and any other investments (other than 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 and all moneys from time to time standing to the credit of such Accounts and the debts represented thereby and including, without limitation, all interest accrued and other moneys received in respect thereof, subject to, in the case of each Counterparty Downgrade

Collateral Account and any Swap Tax Credits standing to the credit of the Interest Account, the rights of a Hedge Counterparty pursuant to the terms of the applicable Hedge Agreement (or any security interest entered into by the Issuer in relation thereto);

(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 obligations) 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 each Counterparty Downgrade Collateral Account and the debts represented thereby, subject to the rights of any Hedge Counterparty to Counterparty Downgrade Collateral pursuant to the terms of the relevant Hedge Agreement and any security interest entered into by the Issuer in relation thereto;

(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 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 without prejudice to and after giving effect to any contractual netting or set-off provision contained in 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 Investment Management and Collateral Administration 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 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 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 purposes of (i) to (xiii) (inclusive) above:

(A) any and all assets, property or rights which are located in, or governed by the laws of, The Netherlands (except for contractual rights or receivables (*rechten of vorderingen op naam*) which are assigned or charged to the Trustee pursuant to (i) to (xiii) above);

(B) any and all assets, property or rights which are pledged pursuant to the Euroclear Security Agreement;

(C) any and all Dutch Ineligible Securities;

(D) the Issuer's rights under the Issuer Management Agreement; and

(E) any and all amounts standing to the credit of the Issuer Dutch Account.

The security created pursuant to paragraphs (i) to (xiii) above is granted to the Trustee for itself and as trustee for the 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 Account*) when such collateral or amounts, as applicable, are expressed to be available to the Issuer and (if a title transfer arrangement) to the extent that no equivalent amount is owed to the Hedge Counterparty pursuant to the relevant Hedge Agreement and/or Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*). 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 Dutch 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 Investment Management and Collateral Administration 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 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:

(i) by way of a first priority security interest to a Hedge Counterparty over the Counterparty Downgrade Collateral deposited by such Hedge Counterparty in the Counterparty Downgrade Collateral Account related to such Hedge Counterparty as security for the Issuer's obligations to repay or redeem such Counterparty Downgrade Collateral pursuant to the terms of the applicable Hedge Agreement and these Conditions (subject to such security documentation as may be agreed between such third party, the Investment Manager acting on behalf of the Issuer and the Trustee). For the avoidance of doubt, the Issuer may grant such security interest directly to the Hedge Counterparty; and/or

(ii) by way of first priority security interest over amounts representing all or part of the Unfunded Amount of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation and deposited in its name with a third party as security for any payment obligations of the Issuer in respect of such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation including but not limited to reimbursement or indemnification obligation of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, subject to the terms of Condition 3(j)(vii) (*The Unfunded Revolver Reserve Account)* (including Rating Agency Confirmation),

excluding for the purposes of (i) and (ii) (inclusive) above: (a) any and all assets, property or rights which are located in, or governed by the laws of, The Netherlands; and (b) any and all Dutch Ineligible Securities.

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. If 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 is appointed in accordance with and on substantially the same terms as 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 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 satisfies the Rating Requirement applicable to it or, if it fails to satisfy such Rating Requirement, to procure the appointment of a replacement custodian. The Trustee has no responsibility for the management of the Portfolio by the Investment Manager or to supervise the administration of the Portfolio by the Collateral Administrator or by any other party and is entitled to rely on the certificates or notices of any relevant party without further enquiry. 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.

Pursuant to the Euroclear Security Agreement, the Issuer has also created in favour of the Trustee (as Secured Party and as agent and representative of certain other Secured Parties), a Belgian law pledge over the Collateral Debt Obligations from time to time held by the Custodian on behalf of the Issuer in Euroclear. Each Noteholder from time to time (including, but not limited to, the Initial Purchaser) appoints the Trustee as its agent and representative under and in connection with the Notes, the Transaction Documents and the security created or expressed to be created under the Transaction Documents.

(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 and the Euroclear Security Agreement, shall be applied in accordance with the priorities of payment set out in Condition 11 (*Enforcement*).

(c) *Limited Recourse and Non-Petition*

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. Notwithstanding anything to the contrary in these Conditions or any Transaction Documents, if the net proceeds of realisation of the security constituted by the Trust Deed and the Euroclear Security Agreement, 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 Issuer Dutch Account and its rights under the Issuer Management 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 and the Class F Noteholders, the Subordinated Noteholders and the other Secured Parties in accordance with the Priorities of Payment (applied in reverse order). The rights of the Secured Parties (including the Noteholders) 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, 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 and the Euroclear Security Agreement (including by appointing a receiver or an administrative receiver).

In addition, none of the Noteholders or any of the other Secured Parties shall have any recourse against any director, shareholder or officer of the Issuer in respect of any obligations, covenants or agreement entered into or made by the Issuer pursuant to the terms of the Conditions of the Notes or any other Transaction Document to which the Issuer is a party or any notice or documents which it is requested to deliver hereunder or thereunder.

None of the Trustee, the Managing Directors, the Initial Purchaser, the Arranger, the Investment 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) *Acquisition and Sale of Portfolio*

The Investment Manager is required to manage the Portfolio and to act in specific circumstances in relation to the Portfolio on behalf of the Issuer pursuant to the terms of, and subject to the parameters set out in, the Investment Management and Collateral Administration Agreement and subject to the overall supervision and control of the Issuer. The duties of the Investment Manager with respect to the Portfolio include (amongst others) the use of reasonable endeavours to:

(i) purchase Collateral Debt Obligations on or prior to the Issue Date and during the Initial Investment Period;

(ii) invest the amounts standing to the credit of the Accounts (other than the Counterparty Downgrade Collateral Account, the Unfunded Revolver Reserve Account, the relevant Hedge Termination Account, the relevant Asset Swap Account, the Payment Account and any Swap Tax Credits standing to the credit of the Interest Account) in Eligible Investments;

(iii) sell certain of the Collateral Debt Obligations and reinvest the Principal Proceeds received in Substitute Collateral Debt Obligations in accordance with the criteria set out in the Investment Management and Collateral Administration Agreement; and

(iv) unless the Issuer has determined that it shall no longer rely on Rule 3a-7 of the Investment Company Act, cause the Issuer to be engaged in (A) purchasing, holding and selling "eligible assets" as defined in Rule 3a-7 of the Investment Company Act and (B) activities related to or incidental to investment in such eligible assets.

The Investment Manager is required to monitor the Collateral Debt Obligations with a view to seeking to determine whether any Collateral Debt Obligation has converted into, or been exchanged for, an Exchanged Equity Security or Defaulted Obligation, provided that, if it fails to do so, it will not have any liability to the Issuer except by reason of acts constituting fraud, wilful misconduct or negligence in the performance of its obligations. No Noteholder shall have any recourse against any of the Issuer,

the Investment Manager, the Initial Purchaser, the Collateral Administrator, the Custodian, the Principal Paying Agent, the Registrar or the Trustee for any loss suffered as a result of such failure.

Under the Investment Management and Collateral Administration Agreement, the Retention Holder, the Issuer, the Controlling Class (provided such Notes are not in the form of IM Non-Voting Notes or IM Exchangeable Non-Voting Notes) and the Subordinated Noteholders have certain rights in respect of the removal of the Investment Manager, the appointment of a replacement Investment Manager and any assignment or delegation by the Investment Manager of its rights and obligations under the Investment Management and Collateral Administration Agreement.

(e) *Exercise of Rights in Respect of the Portfolio*

Pursuant to the Investment Management and Collateral Administration Agreement, the Issuer authorises the Investment 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 Investment 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.

(f) 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, to the Trustee, the Investment Manager and each Rating Agency 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 Prospectus 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 Transaction Documents, 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 Investment Management and Collateral Administration Agreement;

(E) under the Issuer Management Agreement;

(F) under the Collateral Acquisition Agreements;

(G) under the Risk Retention Letter;

(H) under any Hedge Agreements; and

(I) under the Euroclear Security Agreement (if applicable);

(ii) comply with its obligations under the Notes, the Trust Deed, these Conditions, the Agency Agreement, the Investment Management and Collateral Administration Agreement and each other Transaction Document to which it is a party;

(iii) keep proper books and records at its registered office (and maintain the same separate from those of any other Person or entity);

(iv) at all times maintain its Accounts and its financial statements separate from the accounts and financial statements of any other Person or entity;

(v) at all times maintain an arm's-length relationship with its Affiliates (if any);

(vi) at all times maintain its tax residence outside the United Kingdom and the United States and will not establish a branch, agency (other than the appointment of the Investment Manager and the Collateral Administrator pursuant to the Investment Management and Collateral Administration Agreement) or place of business (save for the activities conducted by the Investment Manager on its behalf) or register as a company in the United Kingdom or the United States;

(vii) pay its debts generally as they fall due, subject to and in accordance with the Priorities of Payment;

(viii) do all such things as are necessary to maintain its corporate existence, to conduct its own business in its own name, to hold itself out as a separate entity and to correct any known misunderstanding regarding its separate identity;

(ix) use its best endeavours to obtain and maintain the listing on the regulated 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) as it may (with the approval of the Trustee) decide;

(x) supply such information to the Rating Agencies as they may reasonably request;

(xi) 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 The Netherlands;

(xii) 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;

(xiii) have its own stationery;

(xiv) have at least one Independent Director; and

(xv) notify the Principal Paying Agent and/or the Collateral Administrator of any reduction or withdrawal of any Rating Agency's rating of any of the Rated Notes known to the Issuer.

(b) *Restrictions on the Issuer*

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:

(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 Investment Management and

Collateral Administration 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, the Conditions of the Notes 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, a Hedge Agreement, the Conditions of the Notes 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 Investment Management and Collateral Administration 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 Investment Management and Collateral Administration Agreement, the Issuer Management Agreement or any other Transaction Document to which it is a party;

(vi) guarantee or 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 Investment Management and Collateral Administration Agreement;

(vii) amend its constitutional documents;

(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 The Netherlands;

(ix) have any employees (for the avoidance of doubt the Managing Directors 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 and except for distributions payable to the Foundation;

(xii) issue any shares (other than such share in issue as at 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 two years 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 Investment Manager or the Collateral Administrator under the Investment Management and Collateral Administration 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, but rather purchases loans from another lender;

(xvii) acquire any Collateral Debt Obligations of its partners or shareholders; or

(xviii) enter into amendments to the Trust Deed and/or these Conditions without specifically considering the United States federal income tax consequences of such amendments (including, but not limited to, whether the amendments will cause the Issuer to be treated as engaged in a United States trade or business), adversely affect the characterisation of the Notes (as debt or equity) for United States federal income tax purposes or cause the Notes to be treated as exchanged for other securities, in a transaction in which gain or loss is recognised.

(c) *Additional covenants of the Issuer*

For so long as any of the Notes remain Outstanding, the Issuer covenants to the Trustee on behalf of the holders of such Outstanding Notes that (to the extent applicable) it will not, unless and until the Issuer elects (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "**covered fund**" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act of 1940, acquire or dispose of any item of Collateral or other "**eligible asset**" (as defined in Rule 3a-7 under the Investment Company Act) for the primary purpose of recognising gains or decreasing losses resulting from market value changes and will otherwise comply with the Trading Requirements.

6. Interest

(a) *Payment Dates*

(i) *Rated Notes*

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 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 12 January 2016; and

(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 in arrear on such Payment Date.

(ii) *Subordinated Notes*

Interest shall be payable on the Subordinated Notes to the extent funds are available in accordance with paragraph (CC) of the Interest Proceeds Priority of Payments, paragraph (T) of the Principal Proceeds Priority of Payments and paragraph (Z) 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 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 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 each such Class of Notesremains Outstanding at all times and any amounts which are to be applied in redemption of each such Class of 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 each such Class of 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 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 calendar 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) *Subordinated Notes*

Payments on the Subordinated Notes will cease to be payable in respect of each Subordinated Note upon the date that all of the Collateral has been realised and no Interest Proceeds or Principal Proceeds or, where applicable, other net proceeds of enforcement of the security over the Collateral remain available for distribution in accordance with the Priorities of Payment.

(c) *Deferral of Interest*

(i) *Deferred Interest*

The Issuer shall, and shall only be obliged to, pay any Interest Amount payable in respect of the Class C Notes, the Class D Notes, the Class E Notes or the Class F 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.

In the case of the Class C Notes, the Class D Notes, the Class E Notes or 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)(i) (*Deferred Interest*) otherwise be due and payable in respect of such Class of Notes on any Payment Date (each such amount being referred to as "**Deferred Interest**") will not be 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 or 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 the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, will not be an Event of Default until the Maturity Date or any earlier date on which the Notes are to be repaid or redeemed in full. Interest will cease to accrue on each Note, or in the case of a partial repayment, on such part, from the date of repayment or the Maturity Date or early redemption date unless payment of principal is improperly withheld or unless default is otherwise made with respect to such payment of principal.

(ii) *Non-payment of Interest*

Non-payment of interest on the Class A Notes or the Class B Notes shall, subject to Condition 10(a)(i) (*Non-payment of interest*) constitute an Event of Default following the expiry of the five Business Day grace period.

(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 respectively, paragraphs (K), (N), (Q) and (T) of the Interest Proceeds Priority of Payments, paragraphs (D), (G), (J) and (M) of the Principal Proceeds Priority of Payments and paragraphs (K), (N), (Q) and (T) of the Post-Acceleration Priority of Payments and under the Note Payment Sequence in each place specified in 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). For the avoidance of doubt, for so long as any Class A Notes and Class B Notes remain Outstanding, Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and/or the Class F Notes, as applicable will be added to the principal amount of the Class C Notes, the Class D Notes, the 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, the Class D Notes, the Class E Notes and/or the Class F Notes as applicable.

(e) *Interest on the Rated Notes*

(i) *Floating Rate of Interest*

The rate of interest from time to time in respect of the Class A Notes (the "**Class A Floating Rate of Interest**"), in respect of the Class B Notes (the "**Class B Floating Rate of Interest**"), in respect of the Class C Notes (the "**Class C Floating Rate of Interest**"), in respect of the Class D Notes (the "**Class D Floating Rate of Interest**"), in respect of the Class E Notes (the "**Class E Floating Rate of Interest**"), in respect of the Class F Notes (the "**Class F Floating Rate of Interest**") (and each a "**Floating Rate of Interest**") will be determined by the Calculation Agent on the following basis:

(A) On each 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 six and nine 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 months 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 months 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 12 April 2028, 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. 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 Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D 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 rate which so appears, all 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 will request each of four major banks in the Euro zone interbank market acting in each case through its principal Euro zone office (the "**Reference Banks**") to provide the Calculation Agent with its offered quotation to leading banks for Euro deposits in the Euro zone interbank market:

(a) in the case of the initial Accrual Period, a straight line interpolation of the offered rate for six and nine month Euro deposits;

(b) in the case of an Accrual Period prior to the occurrence of a Frequency Switch Event, for a period of three months; and

(c) in the case of an Accrual Period following the occurrence of a Frequency Switch Event, for a period of six months,

in each case as at 11.00 a.m. (Brussels time) on the Interest Determination Date in question. The Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D 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 such quotations (or of such of them, being at least two, as are so provided), all as determined by the Calculation Agent.

(C) If on any Interest Determination Date one only or none of the Reference Banks provides such quotation, the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D 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 Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D 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.

(D) Where:

"**Applicable Margin**" means:

(1) in the case of the Class A Notes: 1.30 per cent. per annum;

(2) in the case of the Class B Notes: 2.00 per cent. per annum;

(3) in the case of the Class C Notes: 2.90 per cent. per annum;

(4) in the case of the Class D Notes: 3.65 per cent. per annum;

(5) in the case of the Class E Notes: 4.95 per cent. per annum; and

(6) in the case of the Class F Notes: 5.98 per cent. per annum.

(ii) *Determination of Floating Rate of Interest and Calculation of Interest Amount*

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Brussels time) on each Interest Determination Date, but in no event later than the Business Day after such date, determine the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest and calculate the interest amount payable in respect of original principal amounts of the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and the Class F Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The amount of interest (the "**Interest Amount**") payable in respect of each Authorised Integral Amount applicable to any such Notes shall be calculated by applying the Class A Note Rate of Interest in the case of the Class A Notes, the Class B Floating Rate of Interest in the case of the Class B Notes, the Class C Floating Rate of Interest in the case of the Class C Notes, the Class D Floating Rate of Interest in the case of the Class D 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 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).

Where paragraph (A)(3) of Condition 6(e)(i) (*Floating Rate of Interest*) applies, any test or calculation required to be made in accordance with the Trust Deed, the Investment Management and Collateral Administration Agreement or any other Transaction Document: (i)

where such test or calculation requires a determination of a Floating Rate of Interest, and (ii) the date of such test or calculation falls in between two Interest Determination Dates, the applicable offered rate shall be the offered rate which was applicable as of the previous Interest Determination Date.

(iii) *Reference Banks and Calculation Agent*

The Issuer will procure that, so long as any Class A Note, Class B Note, Class C Note, Class D Note, Class E Note or Class F Note remains Outstanding:

(A) 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

(B) if the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest are to be calculated by Reference Banks pursuant to paragraph (B) of Condition 6(e)(i) (*Floating Rate of Interest*), that the number of Reference Banks required pursuant to such paragraph (B) are requested to provide a quotation.

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 Rated Notes, the Issuer shall (with the prior approval of the Trustee) appoint some other 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) *Proceeds in respect of Subordinated Notes*

Solely in respect of Subordinated Notes, the Collateral Administrator will on each Determination Date calculate the Interest Proceeds and/or Principal Proceeds payable to the extent of available funds in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The Interest Proceeds and/or Principal Proceeds payable on each Payment Date in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto shall be calculated by multiplying the amount of Interest Proceeds and/or Principal Proceeds to be applied on the Subordinated Notes on the applicable Payment Date pursuant to the relevant Priorities of Payment by fractions equal to the amount of such Authorised Integral Amount, as applicable, divided by the aggregate original principal amount of the Subordinated Notes.

(g) *Publication of Floating Rates of Interest, Interest Amounts and Deferred Interest*

The Calculation Agent will cause the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest or 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 Registrar, the Principal Paying Agent, the Transfer Agent, the Trustee and the Investment Manager and, for so long as the Notes are listed on the regulated market of the Irish Stock Exchange, the Irish Stock Exchange 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 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 Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F 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 if an extension or shortening of the Accrual Period occurs. If the Notes become due and payable under Condition 10 (*Events of Default*), interest shall nevertheless continue to be calculated as

previously 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) *Determination or Calculation by Trustee*

If the Calculation Agent does not at any time for any reason so calculate the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest or the Class F Floating Rate of Interest for an Accrual Period, the Trustee (or a person appointed by it for the purpose) shall do so and such determination or calculation shall be deemed to have been made by the Calculation Agent and shall be binding on the Noteholders. In doing so, the Trustee, or such person appointed by it, shall apply the foregoing provisions of this Condition 6 (*Interest*), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances and in reliance on such persons as it has appointed for such purpose. The Trustee shall have no liability to any person in connection with any determination or calculation (including with regard to the timelines thereof) it is required to make pursuant to this Condition 6(h) (*Determination or Calculation by Trustee*).

(i) *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), the Calculation Agent or the Trustee, 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 as referred to above) no liability to the Issuer or the Noteholders of any Class shall attach to the Reference Banks, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by them of their powers, duties and discretions under this Condition 6(i) (*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 Subordinated Notes will be redeemed at the amount equal to their share of the amounts of Principal Proceeds to be applied towards such redemption pursuant to paragraph (T) 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 - Subordinated Noteholders or Retention Holder*

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)(ix) (*Optional Redemption in whole of all Classes of Rated Notes 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 or (solely in the case of a redemption at the direction of the Subordinated Noteholders in accordance with (A)(1) or (B) below) any Refinancing Proceeds (or a combination thereof):

(A) on any day falling on or after expiry of the Non-Call Period either:

(1) at the direction of the Subordinated Noteholders acting by Ordinary Resolution; or

(2) save where a Retention Event has occurred and is continuing, at the direction in writing of the Retention Holder,

(in each case as evidenced by duly completed Redemption Notices); or

(B) upon the occurrence of a Collateral Tax Event, on any Payment Date falling after such occurrence at the direction of the Subordinated Noteholders acting by Ordinary Resolution (as evidenced by duly completed Redemption Notices).

(ii) *Optional Redemption in Part - Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Investment 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 Payment Date falling on or after expiry of the Non-Call Period at the direction of the Investment Manager or the Subordinated Noteholders acting by Ordinary Resolution (as evidenced by duly completed Redemption Notices).

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 - Investment Manager Clean-up Call*

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes 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 Payment Date 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 Investment Manager.

(iv) *Terms and Conditions of an Optional Redemption:*

(A) the Issuer shall procure that at least thirty calendar days' prior written notice of such Optional Redemption (which notice shall state that any Optional Redemption is subject to satisfaction of the Conditions in this Condition 7(b) (*Optional Redemption*)), including 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 (subject, in the case of an Optional Redemption of the Rated Notes in whole, to the right of holders of 100 per cent. of the aggregate Principal Amount Outstanding of any Class of Rated Notes to elect to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to the holders of such Class of Rated Notes). Such right shall be exercised by delivery by each holder of the relevant Class of Rated Notes of a written direction confirming such holder's election to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to it, together with evidence of their holding to the Issuer and the Investment Manager no later than thirty calendar days (or such shorter period of time as may be agreed the Investment Manager, acting reasonably) prior to the relevant Redemption Date;

(C) the Investment Manager shall have no right or other ability to prevent an Optional Redemption directed by the 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)(x) (*Mechanics of Redemption*); and

(E) any redemption in part of the Notes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part - Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Investment 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 of, or as the case may be, confirmation from the Transfer Agent or Principal Paying Agent of receipt of (i) a direction in writing from the requisite percentage of Subordinated Noteholders pursuant to Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Retention Holder*) or Condition 7(b)(ii) (O*ptional Redemption in Part - Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Investment Manager*); (ii) a direction in writing from the Retention Holder to exercise any right of optional redemption, pursuant to Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Retention Holder*); or (iii) a direction in writing from the Investment Manager to exercise any right of optional redemption pursuant Condition 7(b)(ii) (O*ptional Redemption in Part - Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Investment Manager*), the Issuer may:

(A) in the case of a redemption in whole of all Classes of Rated Notes in accordance with Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Retention Holder*):

(1) enter into a loan (as borrower thereunder) with one or more financial institutions (qualifying as a "**professional market party**" pursuant to the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) the "**Dutch FSA**"); or

(2) issue replacement notes (in accordance with the provisions of the Dutch FSA); and

(B) in the case of a redemption of an entire Class or Classes of Rated Notes (but not of all Classes of Rated Notes) in accordance with Condition 7(b)(ii) (*Optional Redemption in Part - Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Investment Manager*) issue replacement notes (in accordance with the provisions of the Dutch FSA) (each, a "**Refinancing Obligation**"),

whose terms in each case will be negotiated by the Investment 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 Investment Manager and the Subordinated Noteholders (acting by Ordinary Resolution) 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 - Subordinated Noteholders or Retention Holder*). In addition, Refinancing Proceeds must be applied in the redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (*Optional Redemption in Part - Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Investment Manager*).

(vi) *Refinancing in relation to a Redemption in Whole*

In the case of a Refinancing in relation to the redemption of all of the Rated Notes in whole but not in part pursuant to Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated*

Noteholders or Retention Holder) 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 and all amounts due and payable in respect of all Classes of Notes save for the 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 thereto pursuant to the Priorities of Payment (subject to any election to receive less than 100 per cent. of Redemption Price) 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; and

(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 prior to the applicable Redemption Date,

in each case, as certified to the Issuer and the Trustee by the Investment Manager.

(vii) *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 - Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Investment 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 Proceeds Priority of Payments prior to paying any amount in respect of the Subordinated Notes 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 for each Class 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 and all other rights of the Refinancing Obligations 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 prior to the applicable Redemption Date; and

(13) unless and until the Issuer elects (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "**covered fund**" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act, the Issuer will continue to be in compliance with the requirements for the registration exemption under Rule 3a-7 under the Investment Company Act,

in each case, as certified to the Issuer and the Trustee by the Investment Manager.

If, in relation to a proposed optional redemption of the Notes (whether in whole or in part, as applicable), any of the relevant Conditions specified in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), Condition 7(b)(vi) (*Refinancing in relation to a Redemption in Whole*) or Condition 7(b)(vii) (*Refinancing in relation to a Redemption in Part*) are not satisfied, the Issuer shall cancel the relevant redemption of the Notes and shall give notice of such cancellation to the Trustee, the Investment Manager and the Noteholders in accordance with Condition 16 (*Notices*).

None of the Issuer, the Investment Manager, the Collateral Administrator or the Trustee shall be liable to any party, including the Subordinated Noteholders, for any failure to obtain a Refinancing.

(viii) *Consequential Amendments*

Following a Refinancing, the Trustee shall agree to the modification of the Trust Deed (including these Conditions) and the other Transaction Documents to the extent which the Issuer certifies (upon which certificate the Trustee shall be entitled to rely absolutely and without further enquiry or liability) to the Trustee is necessary to reflect the terms of the Refinancing. No further consent for such amendments shall be required from the holders of Notes.

The Trustee will not be obliged to enter into any modification that, in its sole opinion, adversely affects its rights, powers, duties, obligations, liabilities, indemnities or protections under the Trust Deed, 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 any Transaction Document to the effect that such amendment meets the requirements specified above and is permitted under the Trust Deed (including these Conditions) without the consent of the holders of the Notes (except that such officer or counsel will have no obligation to certify or opine as to the sufficiency of the Refinancing Proceeds).

(ix) *Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*

Following receipt of notice from the Issuer or, as the case may be, of confirmation from the Transfer Agent or Principal Paying Agent of:

(A) a direction in writing from the requisite percentage of Subordinated Noteholders (in the case of Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Retention Holder*) or Condition 7(g) (*Redemption following Note Tax Event*));

(B) a direction in writing from the requisite percentage of the Controlling Class (in the case of Condition 7(g) (*Redemption following Note Tax Event*));

(C) save in the case of a Retention Event which is continuing, a direction in writing from the Retention Holder (in the case of Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Retention Holder*)); or

(D) a direction in writing from the Investment Manager (in the case of a Condition 7(b)(iii) (*Optional Redemption in Whole - Investment Manager Clean-up Call*)),

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 Collateral, the Collateral Administrator shall, as soon as practicable, and in any event not later than seventeen Business Days prior to the scheduled Redemption Date (the "**Redemption Determination Date**"), provided that the Collateral Administrator has received such notice or confirmation at least twenty Business Days prior to the scheduled Redemption Date, calculate the Redemption Threshold Amount in consultation with the Investment Manager.

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 Investment Manager shall have furnished to the Trustee evidence in a form reasonably satisfactory to the Trustee that the Investment 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:

(a) has a long-term issuer credit rating of at least "A" by S&P and, if it has a long-term issuer credit rating of at least "A" by S&P, a short-term issuer credit rating of at least "A-1" by S&P or, if it does not have such a short-term issuer credit rating, a long-term issuer credit rating of at least "A+" by S&P; or

(b) in respect of which a Rating Agency Confirmation from S&P has been obtained; and

(2) either:

(a) has a long-term issuer credit rating of at least “A1” by Moody’s;

(b) has a long-term issuer credit rating of at least “A2” and a short-term issuer credit rating of at least “P-1”, in each case by Moody’s; or

(c) in respect of which Rating Agency Confirmation from Moody’s 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 put-able to the issuer thereof at par on or prior to the scheduled Redemption Date, to meet the Redemption Threshold Amount.

(B) (1) prior to selling any Collateral Debt Obligations and/or Eligible Investments, the Investment 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 five 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.

(C) At least three Business Days prior to the scheduled Redemption Date, the Collateral Administrator shall give notice to the Trustee in writing of the amount of all expenses that have been or will be incurred by the Issuer up to and including the scheduled Redemption Date in effecting such liquidation.

(D) Any certification delivered by the Investment Manager pursuant to this section must include:

(1) 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

(2) all calculations required by this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*) (as applicable).

Any Noteholder, the Investment Manager or any of the Investment Manager’s Affiliates shall have the right, subject to the same terms and conditions afforded to other bidders, to bid for Collateral Debt Obligations to be sold as part of an Optional Redemption pursuant to this Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*).

If either of the Conditions (A) or (B) above are not satisfied, the Issuer shall cancel the redemption of the Notes and shall give notice of such cancellation to the Trustee, the Investment Manager and the Noteholders in accordance with Condition 16 (*Notices*). Such cancellation shall not constitute an Event of Default.

(x) *Mechanics of Redemption*

Following calculation by the Collateral Administrator of the relevant Redemption Threshold Amount, if applicable, the Collateral Administrator shall make such other calculations as it is required to make pursuant to the Investment Management and Collateral Administration Agreement and shall notify the Issuer, the Trustee, the Investment Manager and the Registrar, whereupon the Registrar shall notify the Noteholders (in accordance with Condition 16 (*Notices*)) of such amounts.

Any exercise of a right of Optional Redemption by the 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, by the requisite amount of Subordinated Noteholders or the requisite amount of Notes comprising the Controlling Class (as applicable) held thereby together with duly completed Redemption Notices not less than thirty calendar days, or such shorter period of time as the Trustee and the Investment Manager find reasonably acceptable, prior to the proposed Redemption Date prior to the applicable Redemption Date. No Redemption Notice, Subordinated Note or Notes comprising the Controlling Class so delivered or any direction given by the Investment Manager may be withdrawn without the prior consent of the Issuer. The Registrar shall copy each Redemption Notice or any direction given by the Investment Manager received to each of the Issuer, the Trustee, the Collateral Administrator, any Hedge Counterparty and, if applicable, the Investment Manager.

The Investment Manager shall notify the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and the Principal Paying Agent in writing 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 Investment Management and Collateral Administration 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) (*Optional Redemption*) in the Payment Account on or before the Business Day prior to 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 in accordance with the Priorities of Payment.

(xi) *Optional Redemption of Subordinated Notes*

The Subordinated Notes may be redeemed in whole or in part in aggregate at their Redemption Price on any day or days on or after the redemption or repayment in full of the Rated Notes, at the direction of:

(A) the Subordinated Noteholders (acting by Ordinary Resolution); and

(B) the Investment 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 Class A/B 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 or 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 Class C 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 or after the Effective Date or if the Class D 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, 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 each such Class D Coverage 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 or after the Effective Date or if the Class E 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, 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 each such Class E Coverage Test is satisfied if recalculated following such redemption.

(v) *Class F Notes*

If the Class F Par Value Test is not met on any Determination Date on or 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, the Class E Notes and the Class F 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 F 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 Investment Manager (acting on behalf of the Issuer) if, at any time during the Reinvestment Period, the Investment Manager (acting on behalf of the Issuer) certifies to (upon which certification the Trustee may rely without further enquiry) the Trustee that using reasonable endeavours it has been unable, for a period of twenty consecutive Business Days, to identify additional Collateral Debt Obligations or Substitute Collateral Debt Obligations that are deemed appropriate by the Investment 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 or Substitute Collateral Debt Obligations (a "**Special Redemption**"). On the first Payment Date following the Due Period in which such certification 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 (P) 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 Investment Manager (acting on behalf of the Issuer) and the Investment Manager shall be under no obligation to, or have any responsibility to, any Noteholder or any other person for the exercise or non-exercise (as applicable) of such Special Redemption.

(e) *Redemption upon Effective Date Rating Event*

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, 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*

If a Note Tax Event occurs, the Issuer shall, subject to and in accordance with the terms of the Trust Deed, use all reasonable efforts to change the territory 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:

(i) the date upon which the Issuer certifies (upon which certification the Trustee may rely without further enquiry) to the Trustee and the Noteholders that it is not able to effect such change of residence; and

(ii) the date which is ninety calendar days from the date upon which the Issuer first becomes aware of such Note Tax Event (provided that such ninety calendar day period shall be extended by a further ninety calendar days if 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 have changed its place of residence by the end of the latter ninety calendar day period),

the Controlling Class or the Subordinated Noteholders, in each case acting by way of Extraordinary Resolution, may elect that the Notes of each Class are redeemed, in whole but not in part, on any Payment Date 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 Subordinated Notes (in addition to any other Class of Notes) on such Payment Date; provided further that such redemption of the Notes, whether pursuant to the exercise of such option by the Controlling Class or the Subordinated Noteholders, shall take place in accordance with the procedures set out in Condition 7(b) (*Optional 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*).

(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 paragraph (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.

(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 the Trustee and 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 Investment Manager acting on behalf of the Issuer and in accordance with and subject to the terms of the Investment Management and Collateral Administration Agreement the Issuer may, subject to the conditions below, purchase any of the Rated Notes (in whole or in part), using Principal Proceeds standing to the credit of the Principal Account or the Collateral Enhancement Account.

No purchase of Rated Notes by the Issuer may occur unless each of the following conditions is satisfied:

(i) (A) 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 or cancelled;

(B) (1) 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 Collateral Enhancement Amounts that will be used to effect such purchase and the length of the period during which such offer will be open for acceptance;

(2) each such holder of a Rated Note shall have the right, but not the obligation, to accept such offer in accordance with its terms; and

(3) 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;

(C) each such purchase shall be effected only at prices discounted from par;

(D) each such purchase of Rated Notes shall occur prior to the expiry of the Reinvestment Period;

(E) 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 when compared to such Coverage Test immediately prior thereto;

(F) if Sale Proceeds are used to consummate any such purchase, either:

(1) each requirement or test, as the case may be, of the Portfolio Profile Tests and the Collateral Quality Test will be satisfied after giving effect to such purchase; or

(2) if any requirement or test, as the case may be, of the Portfolio Profile Tests and the Collateral Quality Test was not satisfied immediately prior to such purchase, such requirement or test will be maintained or improved after giving effect to such purchase;

(G) no Event of Default shall have occurred and be continuing;

(H) any Rated Notes to be purchased shall be surrendered to the Registrar for cancellation and may not be reissued or resold; and

(I) each such purchase will otherwise be conducted in accordance with applicable law (including the laws of The Netherlands).

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 Rated Notes shall be taken into account for purposes of all relevant calculations.

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 or any 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 or any 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.

(b) *Payments*

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 9 (*Taxation*) and (ii) any withholding or deduction as required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA. 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 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:

(i) a Principal Paying Agent; and

(ii) a paying agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive,

in each case, as approved in writing by the Trustee and shall procure that it shall at all times maintain a Custodian, Account Bank, Investment Manager and Collateral Administrator. Notice of any change in any Agent or their specified offices or in the Investment 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 The Netherlands 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 or any such relevant tax authority or in connection with FATCA. Any 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 to (upon which certification the Trustee may rely without further enquiry) 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 by the laws of The Netherlands to withhold or account for tax so that it would be unable to make payment of the full amount that would otherwise be due but for the imposition of such tax, the Issuer (save as provided below) shall use all reasonable endeavours to arrange 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 to change 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 Netherlands (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 The Netherlands or other applicable tax authority;

(c) in respect of a payment made or secured for the immediate benefit of an individual or a non-corporate entity which is required to be made pursuant to European Council Directive 2003/48/EC or European Council Directive 2014/48 EU on the taxation of savings or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, these Directives or any arrangement entered into

between the EU member states and certain third countries and territories in connection with those Directives;

(d) as a result of presentation for payment by or on behalf of a Noteholder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a member state of the European Union;

(e) in connection with FATCA (including any voluntary agreement entered into with a tax authority pursuant thereto); or

(f) any combination of the preceding Clauses (a) to (e) inclusive,

the requirement to substitute the Issuer as a principal obligor and/or change its residence for taxation purposes 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 Notes or the Class B Notes, 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 failure to pay such interest in such circumstances continues for a period of at least five consecutive Business Days provided that, in the case of a failure to disburse due to an administrative error or omission by the Investment Manager, the Collateral Administrator or any Paying Agent, such failure continues for a period of at least seven consecutive Business Days;

(ii) *Non-payment of principal*

the Issuer fails to pay any principal when the same becomes due and payable on any Rated Note on the Maturity Date or on any Redemption Date provided that, in the case of a failure to disburse due to an administrative error or omission by the Investment Manager, the Collateral Administrator or any Paying Agent, such failure continues for a period of at least seven Business Days after the Investment Manager, the Collateral Administrator or such Paying Agent, as applicable, 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 of the Notes 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 ten Business Days or, in the case of a failure to disburse due to an administrative error or omission by the Collateral Administrator or any Paying Agent, such failure continues for ten Business Days after the Collateral Administrator or such Paying Agent, as applicable, receives written notice of, or has actual knowledge of, such administrative error or omission;

(iv) *Collateral Debt Obligations*

on any Measurement Date on and after the Effective Date, failure of the percentage equivalent of a fraction:

(A) the numerator of which is equal to

(1) the Aggregate Collateral Balance; *plus*

(2) the aggregate in respect of each Defaulted Obligation of its Market Value multiplied by its Principal Balance on such date; and

(B) the denominator of which is equal to the Principal Amount Outstanding of the Class A Notes,

to equal or exceed 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 of any material covenant of, the Issuer under the Trust Deed or these Conditions (provided that any failure to meet any Portfolio Profile Test, the Reinvestment Diversion Test, Collateral Quality Test or Coverage 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) (*Collateral Debt Obligations*) 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 respects when the same shall have been made, and the continuation of such default, breach or failure for a period of forty five calendar days after notice to the Issuer and the Investment Manager by hand, by registered or certified mail or courier, from the Trustee, the Issuer, or the Investment Manager, or to the Issuer, the Investment 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 Investment Manager in writing) has commenced curing such default, breach or failure during the forty five calendar day period specified above, such default, breach or failure shall not constitute an Event of Default under this paragraph (v) (*Breach of Other Obligations*) unless it continues for a period of sixty calendar days (rather than, and not in addition to, such forty five calendar day period specified above) after notice thereof in accordance herewith. For the purposes of this paragraph (v) (*Breach of Other Obligations*), 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, bankruptcy, composition, reorganisation or other similar laws (together, "**Insolvency Law**"), or a receiver, administrative receiver, trustee, administrator, custodian, conservator, liquidator, curator, *bewindvoerder* or *vereffenaar* or other similar official is appointed in connection with proceedings initiated under any Insolvency Law, in each case, against the Issuer or in relation to the whole or any substantial part (in the opinion of the Trustee) 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 thirty calendar 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, administrative receiver, trustee, administrator, custodian, conservator, liquidator, curator, *bewindvoerder* or *vereffenaar* or other similar official, 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 forty five calendar 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 Ordinary Resolution, (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) give notice to the Issuer and the Investment Manager that all the Notes are immediately due and repayable (such notice, an "**Acceleration Notice**").

(ii) Upon any such notice being given to the Issuer of the maturity of the Notes in accordance with Condition 10(b)(i) (*Acceleration*), all of the Notes shall immediately become due and repayable at their applicable Redemption Prices.

(c) *Curing of Default*

At any time after a notice of acceleration of maturity of the Notes has been given pursuant to Condition 10(b)(i) (*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 Extraordinary Resolution, (and subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) rescind and annul such notice of acceleration under paragraph (b)(i) 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 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 up to the Senior Expenses Cap and Trustee Fees and Expenses; and

(D) all amounts due and payable by the Issuer under any Hedge Transaction; 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 paragraph (b) above due to such Events of Default, have been cured or waived.

All amounts received in respect of this Condition 10(c) (*Curing of Default*) shall be distributed two Business Days following receipt by the Issuer of such amounts, in accordance with the Post-Acceleration Priority of Payments.

Any previous rescission and annulment of a notice of acceleration pursuant to this paragraph (c) shall not prevent the subsequent acceleration of the Notes if the Trustee, at its discretion or, as subsequently requested, accelerates the Notes in accordance with paragraph (b)(i) above.

(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 Investment Manager, the Noteholders in accordance with Condition 16 (*Notices*) and the Rating Agencies 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 paragraph (b) below, the security constituted by the Trust Deed over the Collateral (and if applicable, the security constituted by the Euroclear Security Agreement 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 and the Euroclear Security Agreement becomes enforceable, the Trustee may, at its discretion, and shall, if so directed by the Controlling Class acting by Ordinary Resolution, institute such proceedings or take any other action against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Euroclear Security Agreement and the Notes and pursuant and subject to the terms of the Trust Deed, the Euroclear Security Agreement 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 and the Euroclear Security Agreement (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) the Investment Manager 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 (including, without limitation, Deferred Interest on the Class B Notes, Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) other than the Subordinated Notes and all amounts payable in priority thereto pursuant to the Post-Acceleration Priority of Payments (such amount the "**Enforcement Threshold**" and such determination being an "**Enforcement Threshold Determination**"); or

(B) if the Enforcement Threshold will not have been met then:

(1) in the case of an Event of Default specified in paragraph (i), (ii) or (iv) of Condition 10(a) (*Events of Default*), the Controlling Class acting by way of Ordinary Resolution (and no other Class of Notes) directs the Trustee to take Enforcement Action without regard to any other Event of Default which has occurred prior to, contemporaneously or subsequent to such Event of Default; or

(2) in the case of any other Event of Default, the Holders of each Class of Rated Notes voting separately by 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 or, in the case of Condition 11(b)(i)(B)(2) (*Enforcement*), each Class of Rated Notes as applicable, acting by Ordinary Resolution and, in each case, the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith. 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 against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) act upon the directions of the Subordinated Noteholders acting by Extraordinary Resolution;

(iii) for the purposes of determining issues relating to the execution of a sale or liquidation of the Portfolio, the anticipated proceeds to be realised from any Enforcement Action and whether the Enforcement Threshold will be met, the Trustee may appoint an independent investment banking firm or other appropriate advisor to advise it and may obtain and rely on an opinion and/or advice of such independent investment banking firm or other appropriate advisor (the cost of which shall be payable as Trustee Fees and Expenses); and

(iv) (a) the Investment Manager shall notify the Noteholders (in accordance with Condition 16 (*Notices*)), the Issuer, the Agents, the Trustee, any Hedge Counterparty, and, so long as any of the Notes rated by one or more Rating Agency remain Outstanding, each such Rating Agency if it makes an Enforcement Threshold Determination at any time and (b) the Trustee shall notify the Noteholders (in accordance with Condition 16 (*Notices*)), the Issuer, the Investment Manager, the Agents, any Hedge Counterparty, and, so long as any of the Notes rated by one or more Rating Agency remain Outstanding, each such Rating Agency if it takes any Enforcement Action at any time. Following an acceleration of the Notes 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 (i) any Counterparty Downgrade Collateral (in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*)) and (ii) any Swap Tax Credits, which in each case are required to be paid or returned to a Hedge Counterparty 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 taxes owing by the Issuer accrued in respect of the related Due Period (other than Dutch corporate income tax in relation to the amounts equal to the minimum profit referred to below), as certified by an Authorised Officer of the Issuer to the Trustee, if any, (save for any value added tax payable in respect of any Investment Management Fee or any other tax payable in relation to any other amounts payable to any person in accordance with the following paragraphs which arise as a result of the payment of that amount to the relevant person); and to the

payment of amounts equal to the minimum profit to be retained by the Issuer for Dutch tax purposes, for deposit into the Issuer Dutch 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 upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) the Senior Expenses Cap shall not apply unless and until such acceleration has been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*);

(C) to the payment of Administrative Expenses in relation to each item thereof including from any balance outstanding in the Expense Reserve Account, in the order of 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 provided that upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) the Senior Expenses Cap shall not apply unless and until such acceleration has been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*);

(D) to the payment on a *pro-rata* basis, of any Scheduled Periodic Interest Rate Hedge Issuer Payments (to the extent not paid for out of the Interest Account), Scheduled Periodic Asset Swap Issuer Payments (to the extent not paid or provided for out of the relevant Asset Swap Account) and Hedge Termination Payments (other than Defaulted Hedge Termination Payments) (to the extent not paid out of the Hedge Termination Account);

(E) to the payment:

(1) firstly, on a *pro-rata* basis to the Investment Manager of the Senior Investment Management Fee due and payable on such Payment Date and any value added tax in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority) (save for any Deferred Senior Investment Management Amounts which shall not be paid pursuant to this paragraph) except that the Investment Manager may, in its sole discretion, elect to (x) permanently waive or (y) defer payment of some or all of the amounts that would have been payable to the Investment Manager under this paragraph (E) (any such amounts so deferred being "**Deferred Post-Acceleration Senior Investment Management Amounts**") on any Payment Date, provided that any such amount (i) permanently waived shall cease to be payable as Senior Investment Management Fee and shall be applied to the payment of amounts in accordance with paragraphs (F) to (W) and (Y) and (Z) below or (ii) deferred shall be applied to the payment of amounts in accordance with paragraphs (F) to (W) and (Y) and (Z) below, in each case subject to the Investment 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 permanently waived or deferred; and

(2) secondly, to the Investment Manager, any previously due and unpaid Senior Investment Management Fees (other than Deferred Senior Investment Management Amounts or any amounts of Senior Investment Management Fees that have been permanently waived) and any value added tax in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority);

(F) to the payment on a *pro-rata* basis of all Interest Amounts due and payable on the Class A Notes;

(G) to the redemption on a *pro-rata* basis of the Class A Notes, until the Class A Notes have been redeemed in full;

(H) to the payment on a *pro-rata* basis of the Interest Amounts due and payable on the Class B Notes;

(I) to the redemption on a *pro-rata* basis of the Class B Notes, until the Class B Notes have been redeemed in full;

(J) to the payment on a *pro-rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class C Notes;

(K) to the payment on a *pro-rata* basis of any Deferred Interest on the Class C Notes;

(L) to the redemption on a *pro-rata* basis of the Class C Notes, until the Class C Notes have been redeemed in full;

(M) to the payment on a *pro-rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class D Notes;

(N) to the payment on a *pro-rata* basis of any Deferred Interest on the Class D Notes;

(O) to the redemption on a *pro-rata* basis of the Class D Notes, until the Class D Notes have been redeemed in full;

(P) to the payment on a *pro-rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class E Notes;

(Q) to the payment on a *pro-rata* basis of any Deferred Interest on the Class E Notes;

(R) to the redemption on a *pro-rata* basis of the Class E Notes, until the Class E Notes have been redeemed in full;

(S) to the payment on a *pro-rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class F Notes;

(T) to the payment on a *pro-rata* basis of any Deferred Interest on the Class F Notes;

(U) to the redemption on a *pro-rata* basis of the Class F Notes, until the Class F Notes have been redeemed in full;

(V) to the payment of Trustee Fees and Expenses not paid by reason of the Senior Expenses Cap (if any);

(W) to the payment of Administrative Expenses not paid by reason of the Senior Expenses Cap (if any), in relation to each item thereof in the order of priority stated in the definition thereof; and

(X) to the payment of:

(1) firstly, to the Investment Manager of the Subordinated Investment Management Fee due and payable on such Payment Date and any value added tax in respect thereof (whether payable to the Investment Manager or directly on the relevant tax authority) (save for any Deferred Subordinated Management Amount) until such amount has been paid in full except that the Investment Manager may, in its sole discretion, elect to (x) permanently waive or (y) defer payment (any such amounts so deferred being "**Deferred Post-Acceleration Subordinated Investment Management Amounts**") of

some or all of the amounts that would have been payable to the Investment Manager under this paragraph (X) on any Payment Date, provided that (i) any such amounts so permanently waived shall cease to be payable as Subordinated Investment Management Fee and shall be applied to the payment of amounts in accordance with paragraphs (Y) and (Z) below and (ii) any such amounts so deferred shall be applied to the payment of amounts in accordance with paragraphs (Y) and (Z) below, in each case subject to the Investment 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 permanently waived or deferred;

(2) secondly, to the Investment Manager of any previously due and unpaid Subordinated Investment Management Fee (other than Deferred Subordinated Investment Management Amounts or any amounts of Subordinated Investment Management Fees that have been permanently waived) and any value added tax in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority); and

(3) thirdly, to the Investment Manager in payment of any Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts and any value added tax in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority);

(Y) 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 (D) above; and

(Z) (1) if the Junior Investment Management Fee IRR Threshold has not been reached, any remaining Interest Proceeds and Principal Proceeds to the payment on the Subordinated Notes on a *pro-rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Junior Investment Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including pursuant to paragraphs (1) above, paragraph (CC) of the Interest Proceeds Priority of Payments and paragraph (T) of the Principal Proceeds Priority of Payments the Junior Investment Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) up to 20 per cent. of any remaining Interest Proceeds and Principal Proceeds, to the payment to the Investment Manager as the Junior Investment Management Fee and any value added tax thereon whether payable to the Investment Manager or directly to the relevant tax authority; and

(b) any remaining Interest Proceeds and Principal Proceeds after the payment of the Junior Investment Management Fee pursuant to (a) above, to the payment on the Subordinated Notes on a *pro-rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

Where the payment of any amount in accordance with the Priorities of Payment set out above is subject to any deduction or withholding for or on account of any tax or any other tax is payable by or on behalf of the Issuer in respect of any such amount, payment of the amount so deducted or withheld or of the tax so due 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 or other liability to tax has arisen.

(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 thirty calendar days following receipt of such notice by the Trustee. 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 security over the Collateral becoming enforceable following 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 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 applicable Paying Agent.

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 for passing Written Resolutions) to consider matters affecting the interests of the Noteholders including, without limitation, modifying or waiving the provisions of these Conditions and the other Transaction Documents 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, Extraordinary Resolution or by Written Resolution, in each case, either acting together (subject to paragraph (viii) below) or, to the extent specified in any applicable Transaction Document (including the Trust Deed and these Conditions), as a Class of Noteholders acting independently. Ordinary Resolutions and Extraordinary 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 paragraph (iii) 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 Trustee may, in its discretion, determine that any proposed Ordinary Resolution or Extraordinary Resolution affects the holders of only 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 and not the holders of any other Notes as set forth in the tables below.

Notice of any Resolution passed by the Noteholders will be given by the Issuer to S&P and Moody's 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 or Classes 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 $66^{2}/_{3}$ 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 not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)
Ordinary 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 not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)

The Trust Deed does not contain any provision for higher quorums in any circumstances.

In connection with an IM Removal Resolution or an IM Replacement Resolution, no Notes held in the form of IM Non-Voting Notes or IM Exchangeable Non-Voting Notes shall:

(A) constitute or form part of the Controlling Class;

(B) be entitled to vote in respect of any such IM Removal Resolution or IM Replacement Resolution; or

(C) be counted for the purposes of determining a quorum or the result of voting in respect of any such IM Removal Resolution or IM Replacement Resolution.

(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) if 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 all Noteholders (or of a certain Class or Classes only)	At least $66^{2}/_{3}$ per cent.
Ordinary Resolution of all 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 and the date of such Written Resolution shall be the date on which the latest such document is signed. 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 Investment Management and Collateral Administration Agreement or the relevant Transaction Document, as applicable):

(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 other than a Refinancing;

(B) the modification of any provision relating to the timing and/or circumstances of the payment of interest or redemption of the Notes of a Class at maturity or otherwise (including the circumstances in which the maturity of such Notes may be accelerated) other than a Refinancing;

(C) the modification of any of the provisions of the Trust Deed or the Conditions of the Notes which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note other than a Refinancing;

(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*

The Noteholders shall, in each case, subject to anything else specified in these Conditions, the Trust Deed and any other applicable Transaction Document, have power by Ordinary Resolution to approve any other matter relating to the Notes not referred to in paragraph (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 (such Class or Classes, the "**Affected Class(es)**"), but not another Class or Classes, as the case may be, shall be duly passed if passed at a meeting or meetings 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 duly passed 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 of the Notes 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 Subordinated Noteholders (or any of them) to exercise the rights granted to them pursuant to the Conditions of the Notes or any Transaction Document shall be duly passed if passed at a meeting of such Subordinated Noteholders and such Resolution shall be binding on all of the Noteholders,

provided, in each case, any Resolution may also be passed by way of a Written Resolution.

(c) *Modification and Waiver*

The Trust Deed and the Investment Management and Collateral Administration Agreement both provide that (subject as provided below), without the consent of the Noteholders, the Issuer may amend, modify, supplement and/or waive the relevant provisions of the Trust Deed and/or the Investment Management and Collateral Administration Agreement and/or any other Transaction Document (subject to the consent of the other parties thereto) (as applicable), and the Trustee shall consent to such amendment, supplement, modification or waiver subject as provided below, (other than in the case of an amendment, modification, supplement or waiver pursuant to paragraphs (i), (xi) and (xii) below, in certain circumstances, which shall be subject to the prior written consent of the Trustee, paragraphs (vi), (xv), (xix) and (xxvii) which shall be subject to the receipt of Rating Agency Confirmation and paragraphs (xxvii) and (xxviii) below, which shall be subject to the consent of the Controlling Class, in each case in accordance with the relevant paragraph), for any of the following purposes (and for the avoidance of doubt, the Trustee, without further enquiry, shall, subject as provided herein, consent to an amendment, supplement, modification or waiver referenced in any one of paragraphs (i) to (xxix) below, notwithstanding that the proposed amendment, supplement, modification or waiver would (or could be held to) fall within the scope of any other paragraph which has differing requirements):

(i) subject to the prior written consent of the Trustee, 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 Investment Management and Collateral Administration Agreement (as applicable) conferred upon the Issuer (in the case of such surrender, consent to which shall be determined on the basis of whether the Trustee considers that the surrender is beneficial to the interests of the Noteholders);

(ii) to charge, convey, transfer, assign, mortgage or pledge any property to or with the Trustee;

(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 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;

(v) to make such changes as shall be necessary or advisable in order for the Notes of each Class to be (or to remain) listed on the regulated market of the Irish Stock Exchange or any other exchange;

(vi) 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 Investment Manager and subject to receipt of Rating Agency Confirmation;

(vii) save as contemplated in Condition 14(d) (*Substitution*) below, to take any action advisable to prevent the Issuer from becoming subject to withholding or other taxes, fees or assessments;

(viii) to take any action advisable to prevent the Issuer from being treated as resident in the UK for UK tax purposes, as trading in the UK for UK tax purposes or as subject to UK value added tax in respect of any Investment Management Fees;

(ix) to take any action advisable to prevent the Issuer from either being treated as engaged in a United States trade or business or subject to United States federal, state or local income tax on a net income basis;

(x) to enter into any additional agreements not expressly prohibited by the Trust Deed or the Investment Management and Collateral Administration Agreement (as applicable), provided that any such additional agreements include customary limited recourse and non-petition provisions;

(xi) to make any other modification of any of the provisions of the Trust Deed, the Investment Management and Collateral Administration 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;

(xii) to make any other modification (save as otherwise provided in the Trust Deed, the Investment Management and Collateral Administration 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;

(xiii) to amend the name of the Issuer;

(xiv) to make any amendments to the Trust Deed or any other Transaction Document to enable the Issuer to comply with FATCA (or any voluntary agreement entered into with a tax authority pursuant thereto);

(xv) to modify or amend any components of:

(A) the S&P Matrix; or

(B) the Moody's Tests Matrix,

with respect to (A) subject to receipt of Rating Agency Confirmation from S&P and with respect to (B) subject to receipt of Rating Agency Confirmation from Moody's;

(xvi) to make any changes necessary to permit or reflect any additional issuances of Notes in accordance with Condition 17 (*Additional Issuances*) or to issue replacement notes in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xvii) 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;

(xviii) to modify the Transaction Documents in order to comply with Rule 17g-5 of the Exchange Act;

(xix) to modify the terms of the Transaction Documents in order that they may be consistent with the requirements of the Rating Agencies, including to address any change in the rating methodology employed by either Rating Agency, in a manner that an officer of the Investment Manager certifies to the Trustee would not materially adversely affect the interests of the Noteholders of the Notes of any Class, subject to receipt by the Trustee of Rating Agency Confirmation in respect of the Rated Notes from each Rating Agency then rating the Rated Notes (upon which certification and confirmation the Trustee shall be entitled to rely without further enquiry or liability);

(xx) to modify the Transaction Documents (other than any Hedge Agreement) in order to comply with EMIR or any other applicable regulatory requirements;

(xxi) to modify the Transaction Documents in order to comply with changes in the requirements of AIFMD or which result from the implementation of the implementing technical standards relating thereto or any subsequent legislation or official guidance relating to AIFMs;

(xxii) to make such changes as shall be necessary to facilitate the Issuer to effect a Refinancing in part in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xxiii) to make any other modification of any of the provisions of the Trust Deed, the Investment Management and Collateral Administration Agreement or any other Transaction Document to comply with changes in the Retention Requirements or which result from the implementation of the implementing technical standards relating thereto or any subsequent risk retention legislation or official guidance;

(xxiv) to make any other modifications of any provisions of the Trust Deed, the Investment Management and Collateral Administration Agreement or the Transaction Documents to comply with the requirements of CRA3 as regards structured finance instruments or which result from the implementation of the technical standards relating thereto;

(xxv) to amend, modify or supplement any Hedge Agreement in order to (i) comply with EMIR and/or the Dodd-Frank Act, including any implementing regulation, technical standards and guidance related thereto, subject to the extent that it would constitute a Form Approved Asset Swap or a Form Approved Interest Rate Hedge (as applicable) following such modification or (ii) (A) 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 or (B) 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;

(xxvi) to make any change necessary to prevent the Issuer from becoming an investment company or being required to register as an investment company under the Investment Company Act or to rely on the exemption provided in Rule 3a-7 thereunder;

(xxvii) subject to the consent of the Controlling Class acting by Ordinary Resolution and Rating Agency Confirmation, to make any modifications to the Collateral Quality Tests, Portfolio Profile Tests, Reinvestment Criteria or Eligibility Criteria and all related definitions (including in order to reflect changes in the methodology applied by the Rating Agencies);

(xxviii) to make any modification or amendment determined by the Issuer, as advised by the Investment Manager (in consultation with legal counsel experienced in such matters), as necessary or advisable for any Class of Rated Notes to not be considered an "**ownership**

interest" as defined for purposes of section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder, provided that: (a) the Controlling Class acting by Ordinary Resolution consents in writing thereto; and (b) such modification or amendment would not, in the opinion of the Issuer, be materially prejudicial to the interests of the Noteholders of any Class;

(xxix) to make any other modifications of any provisions of the Trust Deed, the Investment Management and Collateral Administration Agreement or the Transaction Documents to enable the Issuer to comply with any FTT that it is or becomes subject to; and

(xxx) to conform the provisions of the Trust Deed or any other Transaction Document or other document delivered in connection with the Notes to the Prospectus.

Any such modification, authorisation or waiver shall be binding on the Noteholders and shall be notified by the Issuer as soon as reasonably practicable following the execution of any trust deed supplemental to the Trust Deed or any other modification, authorisation or waiver pursuant to this Condition 14(c) (*Modification and Waiver*) to:

(i) so long as any of the Notes rated by one or more Rating Agencies remains Outstanding, each such Rating Agency; and

(ii) the Noteholders in accordance with Condition 16 (*Notices*).

Subject to its compliance with applicable law, the Issuer agrees that it shall notify the Hedge Counterparty of any amendment made to any Transaction Document as soon as reasonably practicable after any such amendment is made.

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 if such change shall have a material adverse effect (as reasonably determined by the Hedge Counterparty) on the rights or obligations of a Hedge Counterparty without such Hedge Counterparty's prior written consent.

To the extent required pursuant to a Hedge Agreement, 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 or Hedge Counterparties 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 above 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, 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 paragraphs (i), (xi) and (xii) above) to the Transaction Documents, which the Issuer certifies to the Trustee is required (upon which certification the Trustee is entitled to rely without further enquiry and without liability), provided that the Trustee shall not be obliged to agree to any modification which, in the opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Trustee in respect of the Transaction Documents.

In the case of a modification, amendment, waiver or supplement pursuant to paragraphs (i), (xi) and (xii) above, the Trustee shall be entitled to obtain expert advice, at the expense of the Issuer, and rely on such advice in connection with giving such consent as it sees fit.

(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, in the opinion of the Trustee, 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 from Moody's (subject to receipt of such information and/or opinions as the Rating Agency 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 regulated market of the Irish Stock Exchange any material amendments or modifications to the Conditions, 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*).

The Trust Deed provides that if there is any conflict of interest between or among the holders of 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 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 A Noteholders over the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(ii) the Class B Noteholders over the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(iii) the Class C Noteholders over the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(iv) the Class D Noteholders over the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(v) the Class E Noteholders over the Class F Noteholders and the Subordinated Noteholders; and

(vi) the Class F Noteholders over the 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 paragraph), 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, except as provided otherwise in any applicable Transaction Document or the Conditions of the Notes, the Trustee will act upon the directions of the holders of the Controlling Class acting by Ordinary Resolution (or other Class given priority as described in this paragraph) 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 Investment Manager of any of its duties under the Investment Management and Collateral Administration Agreement, for the performance by the Collateral Administrator of its duties under the Investment Management and Collateral Administration 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 Investment 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 regulated 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 or such other process as the Irish Stock Exchange may require. Any such notice shall be deemed to have been given to the Noteholders:

(a) in the case of inland mail, three calendar days after the date of dispatch thereof;

(b) in the case of overseas mail, seven calendar days after the dispatch thereof; or

(c) in the case of electronic transmission, on the date of dispatch.

Notices will be valid and will be deemed to have been given, for so long as the Notes are admitted to trading on the Irish Stock Exchange, when such notice is filed in the Company Announcements Office of the Irish Stock Exchange or such other process as the Irish Stock Exchange may require.

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.

17. Additional Issuances

(a) The Issuer may from time to time, subject to the approval of (i) the Subordinated Noteholders (acting by Ordinary Resolution); (ii) in the case of the issuance of additional Class A Notes, subject to the approval of the Class A Noteholders (acting by Ordinary Resolution); and (iii) the Retention Holder, create and issue further Notes having the same terms and conditions as existing Classes of Notes (subject as provided below) and which shall be consolidated and form a single series with the Outstanding Notes of each such Class (unless otherwise provided), and will use the proceeds of sale thereof to purchase additional Collateral Debt Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Debt Obligations, provided that the following conditions are met:

(i) such additional issuances in relation to the applicable Class of Notes may not exceed 100 per cent. in the aggregate of the original aggregate principal amount of such Class of Notes;

(ii) such additional Notes must be issued for a cash sale price and the net proceeds invested in Collateral Debt Obligations or, pending such investment, during the Initial Investment Period deposited in the Unused Proceeds Account or, thereafter, deposited in the Principal Account and, in each case, invested in Eligible Investments;

(iii) such additional Notes must be of each Class of Notes and issued in a proportionate amount among the Classes so that the relative proportions of aggregate principal amount of the Classes of Notes existing immediately prior to such additional issuance remain unchanged immediately following such additional issuance (save with respect to Subordinated Notes as described in paragraph (c) below);

(iv) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Notes must be identical to the terms of the previously issued Notes of the applicable Class of Notes;

(v) the Issuer must notify the Rating Agencies then rating any Notes of such additional issuance and obtain Rating Agency Confirmation (in the case of each Rating Agency, to the extent such Rating Agency is rating any of the Notes);

(vi) the Coverage Tests are satisfied or if not satisfied the Coverage Tests will be maintained or improved after giving effect to such additional issuance of Notes;

(vii) the holders of the relevant Class of Notes in respect of which further Notes are issued shall have been notified in writing thirty calendar days prior to such issuance and shall have been afforded the opportunity to purchase additional Notes of the relevant Class in an amount not to exceed the percentage of the relevant Class of Notes each holder held immediately prior to the issuance (the "**Anti-Dilution Percentage**") of such additional Notes and on the same terms offered to investors generally;

(viii) (so long as the existing Notes of the Class of Notes to be issued are listed on the regulated 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 regulated market of the Irish Stock Exchange (for so long as the rules of the Irish Stock Exchange so require);

(ix) such additional issuances are in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of The Netherlands and do not adversely affect the Dutch tax position of the Issuer;

(x) any issuance of additional Notes shall be accomplished in a manner that will allow the Issuer to provide the information described in United States Treasury regulation section 1.1275-3(b)(l) to the holders of such additional Notes;

(xi) the Retention Holder consenting to purchase a sufficient amount of each Class of Notes which are the subject of such additional issuance such that its holding equals no less than 5 per cent. of the nominal value of such Class or Classes of Notes;

(xii) so long as the Issuer has not elected (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "**covered fund**" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption from the Investment Company Act provided by Section 3(c)(7) of the Investment Company Act by providing written notice thereof to the Trustee, an opinion of counsel has been delivered to the Issuer and the Trustee confirming that neither the Issuer nor the Portfolio will be required to register under the Investment Company Act as a result of such additional issuance and that the Issuer will continue to be in compliance with the requirements for the registration exemption under Rule 3a-7 under the Investment Company Act after such additional issuance(s); and

(xiii) the Issuer may only issue and sell additional Subordinated Notes three times and on each such occasion the aggregate principal amount of such issuance may not be less than EUR1,000,000.

(b) Noteholders should be aware that additional Notes that are treated for non-tax purposes as a single series with the original Notes may be treated as a separate series for U.S. federal income tax purposes. If the new Notes are not fungible with the existing Notes for U.S. federal income tax purposes, the new Notes will be assigned a different CUSIP or other identifier than the existing Notes. In such case, the new Notes may be considered to have been issued with a greater amount of OID (as defined in "*Tax Considerations - United States Federal Income Taxation – U.S. Holders - Interest on the Rated Notes*"), which may affect the market value of the original Notes since such additional Notes may not be distinguishable from the original Notes.

(c) Subject to the requirements in (a) above (except for the condition in Condition 17(a)(vi)), the Issuer may issue and sell additional Subordinated Notes (without issuing Notes of any other Class) provided that:

(i) the subordination terms of such Subordinated Notes are identical to the terms of the previously issued Subordinated Notes;

(ii) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Subordinated Notes must be identical to the terms of the previously issued Subordinated Notes;

(iii) such additional Subordinated Notes are issued for a cash subscription price, the net proceeds to be:

(A) invested in Collateral Debt Obligations or Eligible Investments or, pending such investment, deposited in, the Unused Proceeds Account prior to the expiry of the Initial Investment Period or the Principal Account after the expiry of the Initial Investment Period and in each case invested in Eligible Investments, provided that the Issuer or the Investment Manager (acting on behalf of the Issuer) shall not be obliged to enter into any binding commitments to purchase Collateral Debt Obligations with such proceeds, until such proceeds have been deposited into the Unused Proceeds Account or the Principal Account (as applicable); or

(B) used for other Permitted Uses;

(iv) the Issuer must notify the Rating Agencies then rating any Notes of such additional issuance;

(v) the holders of the Subordinated Notes shall have been notified in writing thirty calendar days prior to such issuance by the Issuer and shall have been afforded the opportunity to purchase additional Subordinated Notes in an amount not to exceed the Anti-Dilution Percentage of such additional Subordinated Notes and on the same terms offered to investors generally; and

(vi) such additional issuance is in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of The Netherlands and do not adversely affect the Dutch tax position of the Issuer.

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 each Class of 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 any Class of Notes are governed by and shall be construed in accordance with English law. The Issuer Management Agreement and the Letter of Undertaking are governed by and shall be construed in accordance with Dutch 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 Corporate Services Limited (having an office, at the date hereof, at 5th Floor, 6 St. Andrew Street, London EC4A 3AE) 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 such an 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 net proceeds of the issue of the Notes remaining after payment of certain fees and expenses incurred in connection with the issue of the Notes payable on or about the Issue Date and following completion of the issue of the Notes (including, without duplication, amounts deposited into the Expense Reserve Account) and an amount equal to €500,000 into the First Period Reserve Account, are expected to be approximately €439,463,100. Such proceeds will be used by the Issuer for the acquisition of any Collateral Debt Obligations acquired by the Issuer on or prior to the Issue Date (if applicable). The remaining net proceeds shall be retained in the Unused Proceeds Account.

FORM OF 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 will be represented on issue by a Regulation S Global Certificate deposited 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 be held at any time only through Euroclear or Clearstream, Luxembourg. See "*Book Entry Clearance Procedures*". Beneficial interests in a Regulation S Global Certificate may not be held by a U.S. Person or U.S. Resident at any time. 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 will be represented on issue by a Rule 144A Global Certificate deposited 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 only be held at any time only through 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 therein and in the Trust Deed and as set forth in Rule 144A and the Investment Company Act, and the Notes will bear the applicable legends regarding the restrictions set forth under "*Transfer Restrictions*". In the case of each Class of Notes, 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 Registrar or the Transfer Agent of a written certification (in the form provided in the Trust Deed) to the effect that the transferor reasonably believes that the transferee is a QIB/QP 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 Registrar or 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 Registrar or 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, owners of beneficial interests in Global Certificates will not be entitled to receive physical delivery of certificated Notes.

Each initial investor (other than the Initial Purchaser) in: (a) any Class E Notes, Class F Notes or Subordinated Notes in the form of Rule 144A Notes; (b) any Subordinated Notes in the form of Regulation S Notes; or (iii)

any Class E Notes or Class F Notes in the form of Regulation S Notes represented by a Regulation S Definitive Certificate, purchased on the Issue Date, will be required to enter into a subscription agreement (and, in the case of the Investment Manager, a note purchase agreement) with the Initial Purchaser in which such investor will certify as to, among other matters, its status under the Securities Act, the Investment Company Act and ERISA. Each initial investor and each transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Regulation S Global Certificate or a Rule 144A Global Certificate (other than the Retention Holder in respect of the Retention Notes, provided it has given an ERISA Certificate (substantially in the form of Annex A (*Form of ERISA Certificate*) hereto) to the Issuer or as otherwise permitted in writing by the Issuer with respect to interests in Class E Notes, Class F Notes or Subordinated Notes acquired in the initial offering) will be deemed to represent, warrant and agree that it is not, and is not acting on behalf of, a Benefit Plan Investor or Controlling Person. However, if such investor or transferee is a Controlling Person, a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor, it may acquire such Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate provided it: (1) obtains the written consent of the Issuer; (2) provides an ERISA Certificate to the Issuer (substantially in the form of Annex A (*Form of ERISA Certificate*) hereto) as to (i) whether or not, for so long as it holds such Notes or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (ii) whether or not, for so long as it holds such Notes or interest therein, it is, a Controlling Person; (iii) that (a) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (b) if it is a governmental, church, non-U.S. 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 will not constitute or result in a non-exempt violation of any Other Plan Law; and (3) will agree to certain transfer restrictions regarding its interest in such Notes. Notwithstanding the foregoing, in each case the Retention Holder, provided it has given an ERISA Certificate (in or substantially in the form set out at Annex A (*Form of ERISA Certificate*) hereto) to the Issuer, may hold Class E Notes, Class F Notes or Subordinated Notes which are Retention Notes in the form of Definitive Certificates, Regulation S Global Certificates or Rule 144A Global Certificates, regardless of whether it is a Controlling Person or a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor for the purposes of ERISA. Any Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate shall be registered in the name of the holder thereof. Each purchaser and transferee understands and agrees that no transfer of an interest in Class E Notes, Class F Notes or Subordinated Notes will be permitted or recognised if it would cause the 25 per cent. Limitation to be exceeded with respect to the Class E Notes, Class F Notes or the Subordinated Notes (determined separately by Class).

The Subordinated Notes, the Class E Notes and the Class F Notes will be offered outside the United States to non-U.S. Persons in reliance on Regulation S and within the United States to persons who are both QIBs and QPs. The Notes are not issuable in bearer form.

Amendments to Terms and Conditions

Each Global Certificate contains provisions that apply to the Notes that they represent, some of which modify the effect of the Terms and Conditions of the Notes in definitive form (See "*Terms and Conditions of the Notes*"). The following is a summary of those provisions:

- ***Payments*** 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 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, in relation to payments of principal, cause the aggregate principal amount of the Notes represented by a Global Certificate to be decreased accordingly.

- ***Notices*** 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 shall 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 regulated 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.

- ***Prescription*** 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.

- ***Meetings*** 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 each €1,000 of principal amount of Notes for which the relevant Global Certificate may be exchanged.

- ***Trustee's Powers*** 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.

- ***Cancellation*** Cancellation of any Note required by the Terms and 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.

- ***Optional Redemption*** The Subordinated Noteholders', the Retention Holder's and the Controlling Class' option in Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption following Note Tax Event*) (as applicable) may be exercised by the holder(s) of a Definitive Certificate or a Global Certificate (as applicable) representing Subordinated Notes, the Retention Notes or the Controlling Class (as applicable) giving notice to the Registrar or other Agent specified for such purpose of the principal amount of Subordinated Notes, Retention 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*).

- ***Record Date*** The Record Date will mean the close of business on the Clearing System Business Day before the relevant due date for payment of principal and interest in respect of such security.

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 fourteen calendar days (other than by reason of holiday, statutory or otherwise) or announces its intention to permanently cease business or does in fact do so.

Interests in Global Certificates representing Class E Notes, Class F Notes or Subordinated Notes may be exchangeable for interests in a Definitive Certificate representing the Class E Notes, Class F Notes or Subordinated Notes if a transferee is acting on behalf of a Benefit Plan Investor or is a Controlling Person provided: (i) such transferee has obtained the consent of the Issuer in respect of such transfer; and (ii) the transferee has provided the Issuer with an ERISA certificate substantially in the form set out in Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed. Interests in Global Certificates representing Class E Notes, Class F Notes or Subordinated Notes may be exchangeable for interests in Definitive Certificates representing Class E Notes, Class F Notes or Subordinated Notes in accordance with the Conditions of the Notes as amended above.

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 thirty calendar 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 the event a Global Certificate is to be exchanged, 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 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 Class E Note, Class F Note or Subordinated Note represented by 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 such Note(s) at the specified office of the Registrar or any Transfer Agent, together with the completed form of transfer and to the extent applicable, consent of the Issuer and a duly completed ERISA certificate substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed. 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 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 G (*Form of Definitive Certificate to Regulation S Global Certificate transfer certificate of Class E Notes, Class F Notes or Subordinated Notes*) 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 Prospectus relating to such Notes under the heading "*Transfer Restrictions*".

Rule 144A

If a holder of Class E Notes, Class F Notes or 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 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 F (*Form of Definitive Certificate to Rule 144A Global Certificate transfer certificate of Class E Notes, Class F Notes or Subordinated Notes*) 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 Prospectus 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. This information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. 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, the Arranger, or any Agent party to the Agency Agreement (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 "*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 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's 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 Rated Notes be issued with at least the following ratings: the Class A Notes AAA(sf) from S&P and Aaa(sf) from Moody's; the Class B Notes: AA(sf) from S&P and Aa2(sf) from Moody's; the Class C Notes: A(sf) from S&P and A2(sf) from Moody's; the Class D Notes: BBB(sf) from S&P and Baa2(sf) from Moody's; the Class E Notes: BB(sf) from S&P and Ba2(sf) from Moody's and the Class F Notes: B-(sf) from S&P and B2(sf) from Moody's. The Subordinated Notes being offered hereby will not be rated.

The ratings assigned to the Class A Notes and the Class B Notes by S&P address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, Class D Notes, the Class E Notes and the Class F Notes by S&P address the ultimate payment of principal and interest. Moody's Ratings address the expected loss posed to investors by the legal final maturity on the Maturity Date.

In respect of any Notes that are subject to a Refinancing in accordance with Condition 7(b)(vi) (*Refinancing in relation to a Redemption in Whole*), the ratings assigned to the Notes will not necessarily continue to be assigned to the Refinancing Obligations issued pursuant thereto.

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.

As of the date of this Prospectus, each of the Rating Agencies is established in the European Union ("**EU**") and is registered under Regulation (EC) No 1060/2009 (as amended) (the "**CRA Regulation**"). As such each Rating Agency is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation.

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 prior to the end 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 Investment 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 Investment Manager, the Collateral Administrator, the Trustee, the Initial Purchaser 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.

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 Rated Notes, 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 Investment Manager, the legal structure and the risks associated with such structure and other factors that they deem relevant.

RULE 17G-5 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 INVESTMENT MANAGER, PROVIDE 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 INVESTMENT MANAGER NO PARTY OTHER THAN THE ISSUER (OR, UP TO AND INCLUDING THE ISSUE DATE, ANY PARTY AUTHORISED AND DIRECTED BY THE ISSUER) OR THE BANK OF NEW YORK MELLON, LONDON BRANCH MAY PROVIDE INFORMATION TO THE RATING AGENCIES ON THE ISSUER'S BEHALF. ON THE ISSUE DATE, THE ISSUER WILL ENGAGE THE BANK OF NEW YORK MELLON, LONDON BRANCH, IN ACCORDANCE WITH THE INVESTMENT MANAGEMENT AND COLLATERAL ADMINISTRATION 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, TO BE GIVEN OR PROVIDED TO SUCH RATING AGENCIES PURSUANT TO, IN CONNECTION WITH OR RELATED, DIRECTLY OR INDIRECTLY, TO THE TRUST DEED, THE INVESTMENT MANAGEMENT AND COLLATERAL ADMINISTRATION 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.

THE ISSUER

General

The Issuer is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated with the name of Jubilee CLO 2015-XV B.V. under the laws of The Netherlands on 19 November 2014 for an indefinite period. The Issuer's corporate seat is in Amsterdam and its registered office at Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands. The Issuer is registered in the commercial register of the Chamber of Commerce for Amsterdam under number 61923281. The telephone number of the registered office of the Issuer is +31 (0)20 575 5600 and the facsimile number is +31 (0)20 673 0016.

Corporate Purpose of the Issuer

The Issuer is organised as a special purpose company and was established to raise capital by the issue of the Notes. The Articles of Association (the "**Articles**") of the Issuer dated 19 November 2014 (as currently in effect) provide under Article 2(1) that the objects of the Issuer are:

(a) to raise funds through, *inter alia*, borrowing under loan agreements, the issuance of bonds and other debt instruments, the use of financial derivatives or otherwise and to invest and apply funds obtained by the Issuer in, *inter alia*, (interests in) loans, bonds, debt instruments, shares, warrants and other similar securities and also in financial derivatives;

(b) to grant security for the Issuer's obligations and debts;

(c) to enter into agreements, including, but not limited to, financial derivatives such as interest and/or currency exchange agreements in connection with the objects mentioned under (a) and (b); and

(d) to enter into agreements, including, but not limited to, bank, securities and cash administration agreements, asset management agreements and agreements creating security in connection with the objects mentioned under (a), (b) and (c) above.

Business Activity

The Issuer has not previously carried on any business or activities other than those incidental to its incorporation and change of name, 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 Investment Management and Collateral Administration Agreement, the Issuer Management Agreement, each Hedge Agreement, the Euroclear Security Agreement and the other documents and agreements entered into in connection with the issue of the Notes and the purchase of the Portfolio.

Management

The current managing directors (the "**Managing Directors**") are:

Name	**Occupation**	**Business Address**
Arthur Weglau	Director	Herikerbergweg 238 1101 CM Amsterdam The Netherlands
Hubertus Petrus Cornelis Mourits	Director	Herikerbergweg 238 1101 CM Amsterdam The Netherlands

Name	Occupation	Business Address
Steffen Engelbertus Johannes Ruigrok	Director	Herikerbergweg 238 1101 CM Amsterdam The Netherlands

Pursuant to the Issuer Management Agreement, the Managing Directors will provide management, corporate and administrative services to the Issuer. The Issuer may terminate the Issuer Management Agreement by giving not less than fourteen calendar days' written notice. The Managing Directors may retire from their obligations pursuant to the Issuer Management Agreement by giving at least two months' notice in writing to the Issuer. The Managing Directors have undertaken not to resign unless suitable replacement managing directors have been contracted.

Managing Directors' Experience

Mr Arthur Weglau

Arthur Weglau is Head Transaction Manager at TMF Structured Finance Services in The Netherlands. Before joining the TMF Group, Mr Weglau worked for PricewaterhouseCoopers as a Tax Advisor, providing tax advice and assistance to foreign multinational companies expanding their business into The Netherlands. Mr Weglau holds a Master's degree in Dutch Tax Law from Groningen University, and completed a post academic programme in Structured Finance at the Grotius Academy.

Mr Huub P.C. Mourits

Mr Mourits joined the TMF Group in 2001 as (Risk) Controller of the Financial Services division. In this capacity Mr Mourits implemented risk control mechanisms and guidelines in various areas, including operational risk control tools for securitisation transactions and CDO's. In June 2007 he became Global Managing Director of TMF Structured Finance Services. Before joining TMF, Mr Mourits was employed as a Risk Controller at NIB Capital Bank (now NIBC Bank N.V.). Mr Mourits holds a Master's degree in Economics and Business Administration.

Mr Steffen E.J. Ruigrok

Steffen E.J. Ruigrok heads the Outsourcing Business Services department of TMF Netherlands. Prior to this position Mr Ruigrok was the head of the accounting and reporting department of TMF Structured Finance Services in the Netherlands. Before joining the TMF Group in 2004, Mr Ruigrok was an Auditor with Coopers and Lybrand (now PricewaterhouseCoopers N.V.), and held a corporate finance position at an international M&A boutique in The Netherlands. He currently also serves as mentor for structured finance and financial instruments related research at the NIVRA-Nijenrode School of Accountancy and Controlling. Mr Ruigrok holds a Bachelor's degree in Business Administration from Nijenrode Business University, and Master's degrees in Economics and in Accounting, both from the Vrije University Amsterdam. Mr Ruigrok is a qualified Chartered Certified Accountant.

Capital and Shares

The Issuer's issued share capital is €1.00 which is fully paid up and divided into 1 share with a nominal value of €1.00 each.

Capitalisation

The capitalisation of the Issuer as at the date of this Prospectus, adjusted for the issue of the Notes, is as follows:

Share Capital

Issued and fully paid 1 ordinary registered share €1.00of €1.00 each.

Loan Capital

Class A Notes	€252,750,000
Class B Notes	€60,250,000
Class C Notes	€26,000,000
Class D Notes	€23,500,000
Class E Notes	€27,000,000
Class F Notes	€15,250,000
Subordinated Notes	€46,000,000
Total Capitalisation	€450,750,001

Indebtedness

The Issuer has no indebtedness as at the date of this Prospectus, other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated herein.

Holding Structure

The entire issued share capital of the Issuer is directly owned by Stichting Jubilee CLO 2015-XV, a foundation (*stichting*) established under the laws of The Netherlands having its registered office at Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands (the "**Foundation**").

None of the Investment Manager, the Collateral Administrator, the Trustee or any company Affiliated with any of them, directly or indirectly, owns any of the share capital of the Issuer. TMF Management B.V. is the sole director of the Foundation.

Pursuant to the terms of a management agreement dated on or about the Issue Date between the Foundation and TMF Management B.V. and a letter of undertaking dated on or about the Issue Date from, *inter alios*, the Foundation and TMF Management B.V. to the Investment Manager, the Initial Purchaser and the Trustee, measures will be in put in place to limit and regulate the control which the Foundation has over the Issuer.

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 Terms and Conditions of the Notes).

Financial Statements

The auditors of the Issuer are KPMG Accountants N.V., Beneluxbaan 31-11, 3526 KK Utrecht, The Netherlands who are chartered accountants and are members of the *Koninklijk Nederlands Instituut van Registeraccountants* and registered auditors qualified in practice in The Netherlands.

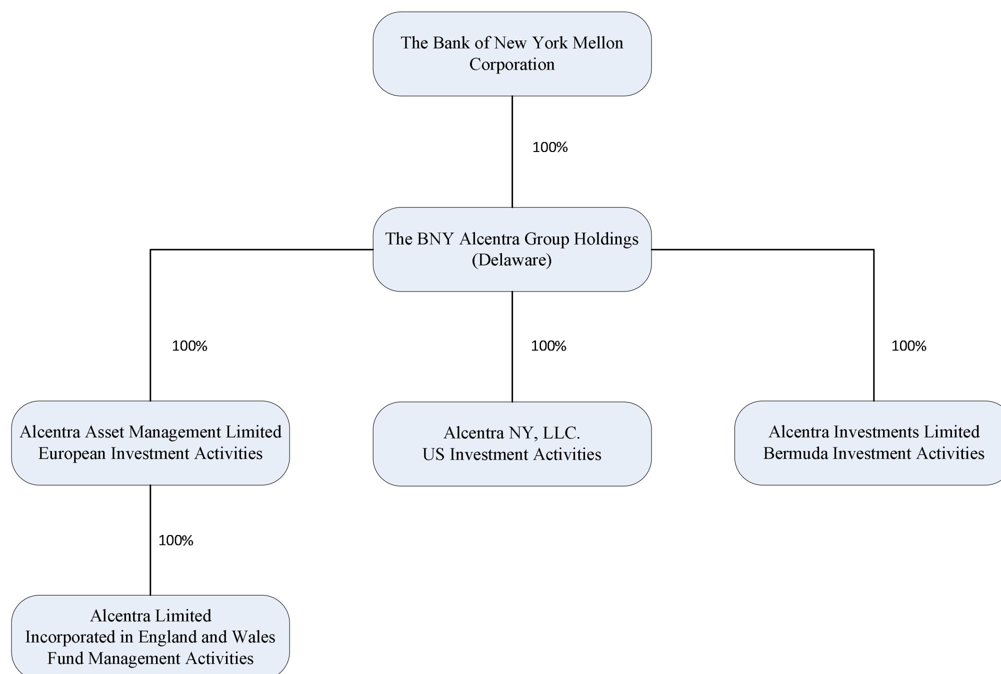
THE INVESTMENT MANAGER

The information appearing in this section has been prepared by the Investment Manager and has not been independently verified by the Issuer, the Initial Purchaser or any other party. This information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by the Investment Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Initial Purchaser or any other party other than the Investment Manager assumes any responsibility for the accuracy or completeness of such information.

The Investment Manager is Alcentra Limited, a company incorporated in England and Wales, with registration number 02958399 and with its registered office in London. The Investment Manager is authorised and regulated by the Financial Conduct Authority and regulated by the SEC.

Alcentra Limited is a subsidiary of BNY Alcentra Group Holdings, Inc. and part of BNY Mellon Asset Management. The Bank of New York Mellon Corporation ("**BNY Mellon Corp**") holds 100 per cent. of the shares of BNY Alcentra Group Holdings, Inc. (as of March 2014). BNY Alcentra Group Holdings, Inc. and its consolidated subsidiaries and subsidiary undertakings are referred to in this Prospectus as "**Alcentra**" or the "**Alcentra Group**" (as shown below).

Alcentra Group and its Shareholders



BNY Mellon Corp is one of the largest banks in the United States with a market capitalisation, as at 31 December 2014, of approximately $45.4 billion. It is also one of the largest securities servicing organisations in the United States with $28.5 trillion of assets under custody and administration and has a global platform across 35 countries and serving more than 100 markets (as at 31 December 2014). BNY Mellon Group is a substantial player in asset management with approximately $1.7 trillion of assets under management ("**AUM**") (as at 31 December 2014).

The Alcentra Group was established in March 2003 and is an active manager of sub-investment grade debt, with global expertise in senior floating rate loans, direct lending, mezzanine debt, high-yield bonds and distressed situations.

Alcentra's investment management and advisory subsidiaries have approximately $23.9 billion of AUM[1] (including approximately $11.3 billion in United States assets and $12.6 billion in European assets) across over 65 funds and accounts, including CLOs, direct lending, mezzanine debt funds, managed accounts and open-ended funds in both U.S. dollars and Euro with over 300 investors in 30 countries (as at 29 August 2014)[2]. Alcentra's AUM includes legacy investments dating back more than 11 years. During 2013 Alcentra-managed funds secured allocations of approximately €1.1 billion in the European primary market and acquired approximately €1.3 billion in the European secondary loan market as at 31 December 2013, and for the year ending 31 December 2012, this was €550 million and €1.96 billion respectively[3]. Alcentra has separate United States and European credit research teams in New York, Boston and London. The Alcentra Group has a team of 99 professionals, including portfolio managers and a dedicated transaction management team for both the United States and Europe. In Europe, five portfolio managers are supported by 19 credit analysts who have an average of approximately 12 years of credit experience each.

Investment Management Team

The investment management team consists of David Forbes-Nixon, Alcentra Chief Executive Officer and Chairman of the Investment Committee; Paul Hatfield, Chief Investment Officer; and Graham Rainbow, Senior Loan Portfolio Manager. Graham Rainbow is a member of the Investment Committee and is responsible for the management of all of Alcentra's senior loan-focused funds. Graham will also be directly responsible for the day-to-day management of the Portfolio.

Investment Committee

In addition to David Forbes-Nixon and Graham Rainbow, the Investment Committee also comprises Kevin Lennon, Senior Analyst and Head of European Credit, Joanna Layton, Senior Analyst and Deputy Head of European Credit and Russell Holliday, Senior Analyst and Deputy European Loan Portfolio Manager.

Credit Analysis Team

The investment management team is supported by 17 credit analysts in London. These analysts are organised into sector and geographical specialisations. Credit analysts are responsible for sourcing and reviewing potential investments for submission to the Investment Committee for approval prior to investment. Each analyst covers on average no more than 20 borrowers and has on average approximately 12 years of experience. By organising the credit team by industry and geographical specialisation, Alcentra analysts are able to develop in-depth specialist knowledge on their particular industry sector, facilitating review of new investment opportunities as they arise. In addition, certain geographical regions, in particular France, Spain and Germany, require specialist skills due to local practices and language. Alcentra has allocated individual analysts to specialise on these regions. The credit team also has a dedicated stressed and distressed credit analyst, Richard Thomson, who has specific experience in work out and restructuring and who will take responsibility for borrowers that are going through complicated and negotiated restructuring processes. The below shows the composition of the Investment Committee and the credit analysis team.

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[1] As at 29 August 2014. For these purposes the value of Euro-denominated AUM have been converted in U.S. dollars at the prevailing exchange rate on the relevant date.

[2] AUM are as of 29 August 2014. AUM reflect assets of all accounts and portions of accounts managed by Alcentra for itself including Alcentra NY, LLC's division, Alcentra High Yield and its affiliates. Specifically, certain AUM reflect assets managed by Alcentra personnel as employees of Standish, BNY Mellon and The Dreyfus Corporation under a dual employee arrangement.

[3] Source: Alcentra data, January 2014.

European Investment Committee David Forbes-Nixon, CEO/Chairman (27 years' experience) Graham Rainbow, Loan Portfolio Manager (21 years' experience) Kevin Lennon, Head of European Credit (24 years' experience) Joanna Layton, Analyst (14 years' experience) Russell Holliday, Analyst (14 years' experience)	David Forbes-Nixon Special Situations Portfolio Manager 27 years' experience	Hiram Hamilton Structured Credit Porfolio Manager 17 years' experience	Ross Curran European High Yield Portfolio Manager 9 years' experience	Graeme Delaney-Smith Mezzanine & Direct Lending Portfolio Manager 19 years' experience

Kevin Lennon 24 years' experience	Pascal Meysson 19 years' experience	Igor Suica 18 years' experience	Olivier Tabouret 18 years' experience	Joanna Layton 14 years' experience	Russell Holliday 14 years' experience	Richard Thomson 13 years' experience	Cathy Bevan 11 years' experience	Alex Walker 11 years' experience	Patrick Ordynans 10 years' experience	Daire Wheeler 10 years' experience	Alex Davau 10 years' experience
Food & Beverages Retail	France / Spain	General Industry	Stressed / Distressed	Building Products Media	General Industry	Banks & Insurance Stressed / Distressed	Structured Credit	General Industry	Germany	High Yield	Healthcare & Pharma

Vihren Jordanov 8 years' experience	Laurence Raven 8 years' experience	Frédéric Méreau 8 years' experience	Natalia Tsitoura 8 years' experience	Kris Winter 6 years' experience	Milan Kecman 5 years' experience	Lais Guerra 3 years' experience
General Industry	Gaming General Industry Stressed / Distressed	France, Paper & Packaging, Financial Services	Healthcare & Pharma	General Industry	Structured Credit	Chemicals, Oil & Gas, Food & Beverage

Investment Management Team Biographies

David Forbes-Nixon, Chief Executive Officer, Special Situations Portfolio Manager and Chairman of Investment Committee

David is the co-founder, Chairman and Chief Executive of Alcentra. David also acts as senior portfolio manager of Alcentra's European funds and chairs the Alcentra European Investment Committee.

Prior to founding Alcentra, David worked at Barclays Capital from 1995 to 2003 where he was Managing Director, Founder and Chief Investment Officer of Barclays Capital Asset Management, a wholly owned subsidiary of Barclays Group Plc and the predecessor firm of Alcentra. Between 1997 to 2000, David ran a significant proprietary trading book at Barclays investing in distressed debt and special situations credits. Also, whilst he was at Barclays he set up the par loan trading business and served as a Director of the Loan Market Association ("**LMA**") and chaired the LMA Valuation Committee.

David worked at Bankers Trust from 1992 to 1995 where he was a Vice President and head of European leveraged loan distribution and prior to that worked at Chemical Bank from 1987 to 1992 in New York and London in the structured finance and loan syndication departments. David graduated from Birmingham University with a BSc (Hons) in Chemical Engineering.

Paul Hatfield, Chief Investment Officer

Paul is the Chief Investment Officer & Head of Americas for Alcentra. He sits on the U.S. Investment Committee and focusses on investment policy, portfolio positioning and risk management across the firm's strategies and funds. His responsibilities also include managing firm and fund level risk as it relates to operational, counterparty and macro/systemic considerations.

Paul joined Alcentra in 2003, and has had numerous leadership positions. He was one of the firm's original portfolio managers, successfully developed and launched new strategies, and led Alcentra's integration of BNY Capital Markets' credit funds and Rabobank's CLO business.

Prior to joining Alcentra, Paul was a Senior Analyst for the CDO operations of Intermediate Capital Group. Between 1995 and 2001, Paul worked at Deutsche Bank, originally in London for the Leveraged Finance Team. At this time, Deutsche (Morgan Grenfell) was the leading underwriter of European LBOs. In 1998, Paul was seconded to New York, where he worked on financial sponsor coverage and latterly in the bank's telecom division. Paul originally trained as a chartered accountant in the audit division of Arthur Andersen and, before joining Deutsche, built up a successful portfolio of mezzanine and development capital loans with FennoScandia Bank, the London operation of a Scandinavian consortium bank. Paul graduated from Cambridge University with a BA (Hons) in Economics.

Graham Rainbow, Senior Loan Portfolio Manager

Graham joined Alcentra in August 2008 as Portfolio Manager and Executive Director. Graham is also a member of Alcentra's European Investment Committee. Prior to joining Alcentra, Graham was co-head of the leveraged syndicate desk at Barclays Capital, where he was responsible for underwriting senior, second lien and mezzanine LBO debt.

Graham joined Barclays in 1995 and performed roles in loan trading, credit and sales before joining the leveraged finance team in 1998.

Graham's previous work experience was with a commercial finance consultancy, arranging business mortgages.

Graham has a BSc (Hons) from Warwick University in Management Science and an MBA from Warwick Business School.

Russell Holliday, Senior Analyst & Deputy Portfolio Manager

Russell joined Alcentra in July 2013 and is Deputy Portfolio Manager for the par loan funds, responsible for investments across a broad range of sectors as well as portfolio construction, optimisation and monitoring. Russell is also a member of Alcentra's European Investment Committee.

Prior to joining Alcentra, he was a senior Director on the European Leveraged Syndicate desk at Barclays where he was responsible for underwriting loan and bond transaction across the sub-grade investment universe. Russell joined Barclays in 2000 and held roles in both ratings and strategic capital structure advisory before joining the Leveraged Finance business in 2002.

Russell graduated from Warwick University with a Bsc (Hons) in Economics.

Credit Risk Mitigation

The Investment Manager has internal policies and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation.

The policies and procedures of the Investment Manager in this regard broadly include the following:

(a) criteria for the granting of credit and the process for approving, amending, renewing and refinancing credits (as to which, in relation to the Collateral Debt Obligations, see the information set out in this Prospectus headed "*The Portfolio*" which describes the criteria that the selection of Collateral Debt Obligations to be included in the Portfolio is subject to);

(b) systems in place to administer and monitor the various credit-risk bearing portfolios and exposures (as to which it should be noted that the Portfolio will be serviced in line with the servicing procedures of the Investment Manager - please see the sections of this Prospectus headed "*The Portfolio*" and "*Description of the Investment Management and Collateral Administration Agreement*");

(c) adequate diversification of credit portfolios given the overall credit strategy (as to which, in relation to the Portfolio, see the section of this Prospectus headed "*The Portfolio – Portfolio Profile Tests*");

(d) policies and procedures in relation to risk mitigation techniques (as to which, see further the sections of this Prospectus headed "*The Portfolio*" and "*Description of the Investment Management and Collateral Administration Agreement*", which describes the ways in which the Investment Manager is required to monitor the Portfolio); and

(e) to the extent not subject to confidentiality restrictions, upon reasonable request, as soon as reasonably practicable grant readily available access to all materially relevant data on the credit quality and performance of the individual underlying exposures, cash flows and collateral supporting a securitisation exposure and to any information that is necessary to conduct comprehensive and well-informed stress tests on the cash flows and collateral values supporting the underlying exposures (as to which, see further the sections of this Prospectus headed "*The Portfolio*" and "*Description of the Reports*", which describe the criteria used for selection of the Collateral Debt Obligations and the reports prepared and provided in respect of such Collateral Debt Obligations).

THE CALCULATION AGENT, PRINCIPAL PAYING AGENT, ACCOUNT BANK, CUSTODIAN AND INFORMATION AGENT

The information appearing in this section has been prepared by the Calculation Agent, Principal Paying Agent, Account Bank, Custodian and Information Agent and has not been independently verified by the Issuer, the Initial Purchaser or any other party. This information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by the Calculation Agent, Principal Paying Agent, Account Bank, Custodian and Information Agent, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Initial Purchaser or any other party other than the Calculation Agent, Principal Paying Agent, Account Bank, Custodian and Information Agent assumes any responsibility for the accuracy or completeness of such information.

The Bank of New York Mellon (formerly The Bank of New York), a wholly owned subsidiary of The Bank of New York Mellon Corporation, is incorporated, with limited liability by Charter, under the Laws of the State of New York by special act of the New York State Legislature, Chapter 616 of the Laws of 1871, with its Head Office situated at One Wall Street, New York, NY 10286, USA and having a branch registered in England and Wales with FC No 005522 and BR No 000818 with its principal office in the United Kingdom situated at One Canada Square, London E14 5AL.

Additional information is available at bnymellon.com.

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. This information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by the Collateral Administrator, no facts have been omitted which would render the reproduced information inaccurate or misleading. 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 S.A./N.V. is a Belgian limited liability company established 30 September 2008 under the form of a Société Anonyme/Naamloze Vennootschap. It has its headquarters and main establishment at 46 rue Montoyerstraat, 1000 Bruxelles/Brussel. The Bank of New York Mellon S.A./N.V. 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 RETENTION HOLDER AND RETENTION REQUIREMENTS

Description of the Retention Holder

The Investment Manager shall act as the Retention Holder for the purposes of the Retention Requirements, subject as provided below.

The Retention

On the Issue Date, the Investment Manager in its capacity as Retention Holder, acting for its own account, will sign the Risk Retention Letter addressed to the Issuer, the Trustee, the Collateral Administrator and the Initial Purchaser.

Under the Risk Retention Letter, the Investment Manager will, for so long as any Class of Notes remains Outstanding, and subject as provided below:

(a) covenant and undertake:

(i) to subscribe for, hold and retain, on an ongoing basis, for so long as any Class of Notes remains Outstanding, not less than 5 per cent. of the outstanding nominal value of each Class of Notes, regardless of whether they are in the form of IM Voting Notes, IM Non-Voting Notes or IM Exchangeable Non-Voting Notes (for the avoidance of doubt, each of (i) the Class A Notes in the form of Class A IM Voting Notes, Class A IM Non-Voting Notes and/or Class A IM Exchangeable Non-Voting Notes; (ii) the Class B Notes in the form of Class B IM Voting Notes, Class B IM Non-Voting Notes and/or Class B IM Exchangeable Non-Voting Notes; (iii) the Class C Notes in the form of Class C IM Voting Notes, Class C IM Non-Voting Notes and/or Class C IM Exchangeable Non-Voting Notes; and (iv) the Class D Notes in the form of Class D IM Voting Notes, Class D IM Non-Voting Notes and/or Class D IM Exchangeable Non-Voting Notes, shall be deemed to constitute single classes) (the "**Retention Notes**") except as permitted in paragraphs (1) and (2) below;

(ii) that neither it nor its Affiliates will transfer the Retention Notes or sell, hedge or otherwise mitigate its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except as permitted in paragraphs (1) and (2) below;

(iii) to take such further action, provide such information, and enter into such other agreements, in each case as may reasonably be required by the Issuer to satisfy the Retention Requirements at any time prior to maturity of the Notes;

(iv) to provide to the Issuer, on a confidential basis, information in the possession of the Investment Manager, at the cost and expense of the party seeking such information, to the extent the same is not subject to a duty of confidentiality at any time prior to maturity of the Notes;

(v) to confirm its continued compliance with the covenants set out at paragraphs (a)(i) and (a)(ii) above:

(A) promptly upon reasonable request made in writing by any of the Issuer, the Trustee, the Collateral Administrator and the Initial Purchaser; and

(B) in any event on a monthly basis, on the Business Day prior to the date on which the Collateral Administrator compiles the Monthly Report, to the Issuer, the Trustee or the Collateral Administrator,

in each case in writing (which may be by way of e-mail and which confirmations the Investment Manager acknowledges may be included by the Collateral Administrator in any Monthly Report);

(vi) that it shall notify each of its Affiliates of the Risk Retention Letter and its contents and in particular the requirements set out in paragraph (a)(ii) above and shall procure that each of its

Affiliates comply with the terms of the Risk Retention Letter and in particular paragraph (a)(ii) above;

(vii) that it shall immediately notify the Issuer, the Investment Manager, the Trustee and the Collateral Administrator in writing if for any reason:

(A) it ceases to hold the Retention Notes in accordance with paragraph (a)(i) above;

(B) it fails to comply with the covenants set out in paragraphs (a)(i) to (a)(iv) (inclusive) or (a)(vi) in any way; or

(C) any of the representations and warranties contained in the Risk Retention Letter fail to be true on any date,

provided that:

(1) if Alcentra Limited is removed as Investment Manager and none of its Affiliates are appointed as successor Investment Manager, then the Investment Manager (or any of its Affiliates to which the Retention Notes have been transferred in accordance with paragraph (2) below) may dispose of the Retention Notes provided that such transfer:

(x) is permitted in accordance with the Retention Requirements; and

(y) would not cause the transaction described in this Prospectus to cease to be compliant with the Retention Requirements;

(2) the Investment Manager may at any time transfer the Retention Notes to an Affiliate which is part of the same consolidated accounting group as the Investment Manager provided that:

(x) such transfer:

(a) is permitted in accordance with the Retention Requirements; and

(b) would not cause the transaction described in this Prospectus to cease to be compliant with the Retention Requirements; and

(y) if, at any time following (and as a consequence of) such transfer it is necessary to ensure compliance with the Retention Requirements, the Investment Manager shall procure that the Retention Notes are re-transferred to itself or to any other entity permitted under the Retention Requirements at such time; and

(b) represent and warrant, *inter alia*, that:

(i) it is, and it holds the Retention Notes as, a "sponsor" (as such term is defined in, and for the purposes of, the Retention Requirements); and

(ii) it will continue to retain the Retention Notes pursuant to paragraph (a) above in such capacity.

Should the Investment Manager elect to transfer the Retention Notes in the situations set out in (1) and (2) above, then such transferee of the Retention Notes shall commit to acquire and retain the Retention Notes on terms substantially identical (*mutatis mutandis*) to those outlined above.

The Issuer, the Trustee, the Collateral Administrator and the Initial Purchaser are each parties to the Risk Retention Letter solely for the purposes of obtaining the benefit of the representations, warranties, covenants and undertakings contained therein and under no circumstances shall any of them be deemed to have undertaken any obligations thereunder or by virtue of their entry into 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 (including the

Reports) are sufficient to comply with the Retention Requirements or any other applicable legal, regulatory or other requirements. None of the Issuer, the Investment Manager, the Initial Purchaser, the Arranger, the Collateral Administrator, the Trustee, the Retention Holder, their respective Affiliates, corporate officers or professional advisors 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 Retention Requirements or any other applicable legal, regulatory or other requirements other than, in the case of the Investment Manager, where such failure results from a breach of the Risk Retention Letter by the Investment Manager or any of its Affiliates. Each prospective investor in the Notes which is subject to the Retention Requirements or is an Affected Investor (as defined in "*Risk Factors - Risk Retention in Europe*" above) should consult with its own legal, accounting, regulatory and other advisors 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.

THE PORTFOLIO

Terms used and not otherwise defined herein or in this Prospectus as specifically referenced herein shall have the meaning given to them in Condition 1 (*Definitions*) of the Terms and Conditions of the Notes.

Introduction

Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager is required or, as the case may be, authorised, 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 Investment Manager.

Acquisition of Collateral Debt Obligations

The Investment Manager will determine and will use reasonable endeavours to cause to be acquired by the Issuer a portfolio of Secured Senior Loans, Secured Senior Bonds, Corporate Rescue Loans, Unsecured Senior Obligations, Mezzanine Obligations, Second Lien Loans and High Yield Bonds during the Initial Investment Period, the Reinvestment Period and thereafter. The Issuer anticipates that, by the Issue Date, the Investment Manager on its behalf will have purchased or committed to purchase Collateral Debt Obligations, the Aggregate Principal Balance of which is approximately €285,000,000, representing approximately 65 per cent. of the Target Par Amount (as defined in the Conditions of the Notes). A portion of the Collateral Debt Obligations will be sourced from one or more funds managed by the Investment Manager. The net proceeds of the issue of the Notes remaining after payment of certain fees and expenses incurred in connection with the issue of the Notes payable on or about the Issue Date and following completion of the issue of the Notes (including, without duplication, amounts deposited into the Expense Reserve Account and the First Period Reserve Account) are expected to be approximately €439,463,100. Such proceeds will be used by the Issuer for the acquisition of any Collateral Debt Obligations acquired by the Issuer on or prior to the Issue Date (if applicable). The remaining net proceeds shall be retained in the Unused Proceeds Account. During the Initial Investment Period, the Investment Manager acting on behalf of the Issuer, shall use all commercially reasonable efforts to purchase Collateral Debt Obligations with an Aggregate Principal Balance equal to at least the Target Par Amount out of the Balance standing to the credit of the Unused Proceeds Account (together with any Collateral Debt Obligations previously acquired).

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 Investment Manager may declare that the Initial Investment Period has ended and the Effective Date has occurred prior to the Payment Date on 12 January 2016, subject to the Effective Date Determination Requirements being satisfied.

On or after the Effective Date, the Balance standing to the credit of the Unused Proceeds Account will be transferred to the Principal Account and/or the Interest Account, in each case, at the discretion of the Investment 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 of which equals or exceeds the Target Par Amount (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 shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its S&P Collateral Value); and (ii) not more than 1 per cent. of the Target Par Amount may be transferred to the Interest Account.

Within ten Business Days following the Effective Date or, otherwise, as soon as reasonably practicable (which may be longer), the Collateral Administrator shall issue an 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 (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 shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its S&P Collateral Value), copies of which shall be forwarded to the Issuer, the Trustee, the Investment Manager, any Hedge Counterparty and the Rating Agencies and the Issuer will provide, or cause the Investment Manager to provide to the Trustee and the Collateral Administrator

an accountants' certificate confirming the Aggregate Principal Balance of all Collateral Debt Obligations purchased or committed to be purchased as at such date, the computations and results of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests by reference to such Collateral Debt Obligations.

The Investment 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 if the Effective Date Moody's Condition is satisfied then such rating confirmation shall be deemed to have been received from Moody's. If the Effective Date Moody's Condition is not satisfied within twenty Business Days following the Effective Date, the Investment Manager shall promptly notify Moody's. If:

(a) the Effective Date Determination Requirements are not satisfied and Rating Agency Confirmation has not been received in respect of such failure and either:

    (i) the Investment Manager (acting on behalf of the Issuer) does not present a Rating Confirmation Plan to the Rating Agencies; or

    (ii) the Investment Manager (acting on behalf of the Issuer) does present a Rating Confirmation Plan to the Rating Agencies but a Rating Agency Confirmation is not received in respect of such Rating Confirmation Plan; or

(b) Rating Agency Confirmation has not been received following the Effective Date,

an Effective Date Rating Event shall have occurred, provided that any downgrade or withdrawal of any of the Initial Ratings of the 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, 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 Investment 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 Investment 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 is intended to cause confirmation or reinstatement of the Initial Ratings. The Investment Manager (acting on behalf of the Issuer) is under no obligation whatsoever to present a Rating Confirmation Plan to the Rating Agencies.

"**Effective Date Moody's Condition**" means a condition satisfied if:

(a) the Trustee is provided with an accountants' certificate indicating that the Effective Date Determination Requirements are satisfied; and

(b) Moody's is provided with the Effective Date Report.

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 Investment 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;

(b) it is (i) either: (x) denominated in Euro; or (y) denominated in a Qualifying Currency other than Euro and no later than the settlement date of the acquisition thereof the Issuer (or the Investment Manager on its behalf) enters into an Asset Swap Transaction with a notional amount in the relevant currency equal

to the aggregate principal amount of such obligation and otherwise complies with the requirements set out in respect of such obligation in the Investment Management and Collateral Administration Agreement and, (ii) in all cases not convertible into or payable in any other currency;

(c) if such obligation were a Collateral Debt Obligation other than a Corporate Rescue Loan, it would not constitute a Defaulted Obligation or a Credit Impaired Obligation;

(d) it is not a lease (including, for the avoidance of doubt, a finance lease);

(e) it is not a Structured Finance Security, a pre-funded letter of credit or a Synthetic Security;

(f) it provides for a fixed amount of principal payable 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 is not convertible into equity and 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, payments will not be subject to withholding tax imposed by any jurisdiction under the current market practice unless either: (i) such withholding tax can be eliminated by application being made under an applicable double tax treaty or otherwise; or (ii) 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;

(j) it has an S&P Rating of not lower than "CCC-" and a Moody's Default Probability Rating of not lower than "Caa3" (in each case unless it is a Corporate Rescue Loan);

(k) it is not a debt obligation whose repayment is subject to substantial non-credit related risk;

(l) 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 Obligation and where the Restructured Obligation satisfies the Eligibility Criteria and for the avoidance of doubt, the Issuer is not liable to pay any amounts in respect of a Restructured Obligation, provided that, in respect of (v) only, 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 Secured Senior Loan, Second Lien Loan or similar obligation;

(m) it will not require the Issuer or the Collateral to be registered as an investment company under the Investment Company Act;

(n) it is not subject to a tender offer, voluntary redemption, exchange offer, conversion or other similar action for a price less than its par amount plus all accrued and unpaid interest;

(o) the Stated Maturity thereof falls prior to the Maturity Date of the Notes;

(p) its acquisition by the Issuer will not result in the imposition of stamp duty, stamp duty reserve tax or any other transfer duty or tax payable by or otherwise receivable from the Issuer, unless such stamp duty or stamp duty reserve tax has been included in the purchase price of such Collateral Debt Obligation;

(q) 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 (i) above) the Issuer (or the Investment Manager on behalf of the Issuer) has notified the Trustee if 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;

(r) it is not an obligation of a borrower who or which is resident in or incorporated under the laws of The Netherlands and who or which is not acting in the conduct of a business or profession;

(s) it is not a Dutch Ineligible Security;

(t) it is an obligation of an Obligor or Obligors Domiciled in a Non-Emerging Market Country (as determined by the Investment Manager acting on behalf of the Issuer);

(u) it has not been called for, and is not subject to a pending redemption;

(v) it is capable of being sold, assigned or participated to the Issuer, together with any associated security, without any breach of applicable selling restrictions or of any contractual provisions;

(w) it is not an obligation in respect of which interest payments are scheduled to decrease (although, other than with respect to Step-Down Securities, interest payments may decrease due to unscheduled events such as a decrease of the index relating to a Floating Rate Collateral Debt Obligation, the change from a default rate of interest to a non-default rate or an improvement in the Obligor's financial condition);

(x) 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;

(y) it must require the consent of at least 66⅔ of the lenders to the Obligor thereunder for any change in the principal repayment profile or 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;

(z) it is not a Project Finance Loan;

(aa) it is in registered form for U.S. federal income tax purposes, unless it is not a "registration-required obligation" as defined in section 163(f) of the Code;

(bb) it is not a Bridge Loan;

(cc) it is not a Deferring Security;

(dd) it is not a Current Pay Obligation and is not a PIK Security (except if such PIK Security is a Restructured Obligation);

(ee) it is an "**eligible asset**" as defined in Rule 3a-7 under the Investment Company Act (so long as the Trading Requirements are applicable);

(ff) it is not the obligation of an Obligor which is a Restricted Corporation;

(gg) it does not have an "f", "r", "p", "pi", "q", "(sf)" or "t" subscript assigned by S&P; and

(hh) it is not a debt obligation of an Obligor whose total indebtedness is less than EUR 75 million at the time at which the Issuer entered into a binding commitment to purchase such debt obligation.

Other than:

(a) Issue Date Collateral Debt Obligations (which must satisfy the Eligibility Criteria on the Issue Date); and

(b) 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 (including but not limited to an amendment of its maturity date) 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 Investment Manager on behalf of the Issuer entered into a binding agreement to purchase such obligation.

"**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;

(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); and

(c) prior to its purchase by the Issuer, has an S&P Rating and a Moody's Rating.

"**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,

in each case, where the sole activity of such special purpose entity is the ownership and/or management of such asset or assets and 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.

"**Restricted Corporation**" means a corporation that either:

(a) is currently involved in the development, production, maintenance or trade of a Restricted Weapon;

(b) is currently involved in the development, production, maintenance or trade of components or services that have been specifically designed for the functioning of a Restricted Weapon, including (without limitation) sub munitions, fuses and warheads; or

(c) holds a stake of more than 25 per cent. in, or is currently more than 25 per cent. owned by, a corporation that satisfies paragraph (a) or (b) above.

"**Restricted Weapon**" means any of the following:

(a) a weapon that is the subject of the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction, the Chemical Weapons Convention, the Mine-Ban Convention, the Convention on Cluster Munitions or any other similar treaty or convention;

(b) a munition that contains depleted uranium; and

(c) a nuclear weapon used by a country that is not recognised as a "**nuclear-weapon state**" by the Treaty on the Non-Proliferation of Nuclear Weapons.

"**Step-Down Coupon Security**" means a security: (a) which does not pay interest over a specified period of time ending on its maturity, but which does provide for the payment of interest before such specified period; or (b) the interest rate of which decreases over a specified period of time other than due to the decrease of the floating rate index applicable to such security.

"**Step-Up Coupon Security**" means a security: (a) which does not pay interest over a specified period of time ending prior to its maturity, but which does provide for the payment of interest after the expiration of such specified period; or (b) the interest rate of which increases over a specified period of time other than due to the increase of the floating rate index applicable to such security.

"**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.

"**Zero Coupon Security**" means a security (other than a Step-Up Coupon Security) that, at the time of determination, does not provide for periodic payments of interest.

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 has an S&P Rating and a Moody's Rating and satisfies each of the criteria comprising the Eligibility Criteria other than the criteria set out at paragraphs (c), (i), (j) and (x) and, in respect of a PIK Security only, (cc) and (dd) thereof on the related Restructuring Date (such applicable criteria, the "**Restructured Obligation Criteria**"). With regard to (n), to the extent that the Restructured Obligation is tendered at an amount which is less than its outstanding principal amount, it shall be carried at that tendered value in the Collateral Quality Tests, the Coverage Tests, the Reinvestment Overcollateralisation Test and the Portfolio Profile Tests, so long as the tender option is still available. For the avoidance of doubt, a Cashless Loan shall be treated as the acquisition by the Issuer of a new Collateral Debt Obligation and not as the acquisition of a Restructured Obligation. Whilst PIK Securities are not eligible to be Collateral Debt Obligations under the Eligibility Criteria, not more than 5 per cent. of the Aggregate Collateral Balance may consist of PIK Securities provided that such PIK Securities are Restructured Obligations only.

"**Cashless Loan**" means a loan obligation which is the reconstitution of a Collateral Debt Obligation that does not involve the receipt by the Issuer of a principal repayment in exchange for the new loan obligation. For the avoidance of doubt a Collateral Debt Obligation, or Participation thereof that is the subject of a Maturity Amendment (as defined below) shall not by virtue of the Maturity Amendment alone, constitute a Cashless Loan.

Management of the Portfolio

Overview

The Investment Manager (acting on behalf of the Issuer) is permitted, in certain circumstances and subject to certain requirements set out in the Investment Management and Collateral Administration Agreement, to sell Collateral Debt Obligations and Exchanged Equity Securities and to reinvest the Sale Proceeds (other than accrued interest on such Collateral Debt Obligations included in Interest Proceeds by the Investment Manager)

thereof in Substitute Collateral Debt Obligations satisfying the Eligibility Criteria, the Trading Requirements (so long as they are applicable) and the Reinvestment Criteria (as applicable).

Prior to the proposed sale of Collateral Debt Obligations and/or Exchanged Equity Securities, or reinvestment in Substitute Collateral Debt Obligations, the Investment Manager shall notify the Collateral Administrator of all necessary details of the Collateral Debt Obligation or Exchanged Equity Security proposed 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 and Reinvestment Criteria which are required to be satisfied in connection with any such sale or reinvestment are satisfied or, if any such criteria are not satisfied, shall notify the Issuer and the Investment Manager of the reasons and the extent to which such criteria are not so satisfied.

The Investment Manager will determine and use reasonable endeavours to cause to be purchased by the Issuer, Collateral Debt Obligations (including all Substitute Collateral Debt Obligations) taking into account the Eligibility Criteria and, where applicable, the Reinvestment Criteria and the Trading Requirements (so long as they are applicable), 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 Investment 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 Investment Manager may undertake on behalf of the Issuer are subject to the Issuer's monitoring of the performance of the Investment Manager under the Investment Management and Collateral Administration Agreement.

Sale of Collateral Debt Obligations

Sale of Non-Eligible Issue Date Collateral Debt Obligations

The Investment Manager, acting on behalf of the Issuer, shall in accordance with the Trading Requirements (so long as they are applicable) 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 (and, where applicable, provided the Trading Requirements are met) 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 in accordance with the Trading Requirements (so long as they are applicable) at any time by the Investment Manager (acting on behalf of the Issuer) subject to:

(a) to the Investment Manager's knowledge, having made all reasonable enquiries to ensure the same is true, no Event of Default having occurred which is continuing; and

(b) the Investment Manager certifying to the Trustee and the Collateral Administrator (upon which certificate the Trustee and the Collateral Administrator may rely absolutely) 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, provided that in forming such judgment, a reduction in credit spread or an increase in market value of a Collateral Debt Obligation may only be utilised as corroboration of other bases for such judgment.

Terms and Conditions applicable to the Sale of Exchanged Equity Securities

Any Exchanged Equity Security may be sold at any time by the Investment Manager in its discretion (acting on behalf of the Issuer) in accordance with the Trading Requirements (so long as they are applicable) and the Sale Proceeds (other than accrued interest on such Collateral Debt Obligations included in Interest Proceeds by the Investment Manager) reinvested in Substitute Collateral Debt Obligations in accordance with the Reinvestment Criteria, subject to, to the Investment Manager's knowledge, having made all reasonable enquiries to ensure the same is true, no Event of Default having occurred which is continuing.

In addition to any discretionary sale of Exchanged Equity Securities as provided above, the Investment Manager shall be required by the Issuer to use its commercially reasonable efforts to sell (on behalf of the Issuer) any Exchanged Equity Security which constitutes Margin Stock, as soon as practicable upon its receipt or upon its becoming Margin Stock (as applicable).

Discretionary Sales

The Issuer or the Investment Manager (acting on behalf of the Issuer) may in accordance with the Trading Requirements (so long as they are applicable) dispose of any Collateral Debt Obligation (other than a Credit Improved Obligation, a Credit Impaired Obligation, a Defaulted Obligation or an Exchanged Equity Security, each of which may only be sold in the circumstances provided above) at any time (other than during a Restricted Trading Period) provided that:

(a) no Event of Default has occurred which is continuing;

(b) after giving effect to such sale, the Aggregate Principal Balance outstanding of all Collateral Debt Obligations sold as described in this paragraph during the preceding twelve calendar months (or, for the first twelve calendar months after the Issue Date, during the period commencing on the Issue Date and ending on the date of determination) is not greater than 30 per cent. of the Aggregate Collateral Balance as of the first day of such twelve calendar month period (or as of the Issue Date, as the case may be);

(c) either:

    (i) during the Reinvestment Period, the Investment 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 proceeds of such sale in one or more additional Collateral Debt Obligations within forty-five calendar days after the settlement of such sale in accordance with the Reinvestment Criteria; or

    (ii) any time, either:

        (A) the Sale Proceeds from such sale are at least equal to 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) (for which purpose, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value) plus, without duplication, the amounts on deposit in the Principal Account and the Unused Proceeds Account (including Eligible Investments therein) will be greater than (or equal to) the Reinvestment Target Par Balance (as defined below); and

(d) the Investment Manager using all reasonable efforts to reinvest such Sale Proceeds within ninety Business Days of settlement of such sale or, if such sale is effected within the Reinvestment Period, prior to the expiry of the Reinvestment Period. In relation to reinvestments during the Reinvestment Period, in the event such Sale Proceeds are not reinvested before the Payment Date falling immediately after the end of such 90 Business Day period, such amounts shall only remain credited to the Principal Account, as applicable, for the purpose of reinvestment to the extent no payments are required to be made on such Payment Date in respect of a failure to satisfy any Coverage Test.

Sale of Collateral Prior to Maturity Date

If: (i) any redemption of the Rated Notes in whole is scheduled to occur prior to the Maturity Date; (ii) notification is received from the Trustee of enforcement of the security over the Collateral; or (iii) the Maturity Date occurs or is shortly to occur, the Investment Manager (acting on behalf of the Issuer) shall (or in the case of (ii) if requested by 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 Maturity Date as applicable and sell all or part of the Portfolio, as applicable, in accordance with Condition 7 (*Redemption and Purchase*) and the Investment

Management and Collateral Administration Agreement but without regard to the limitations set out in "*Sale of Collateral Debt Obligations*" above or the Reinvestment Criteria (which will include any limitations or restrictions set out in the Conditions of the Notes and the Trust Deed).

Reinvestment of Collateral Debt Obligations

"**Reinvestment Criteria**" means, during the Reinvestment Period, the criteria set out under "*During the Reinvestment Period*" below and following the expiry of the Reinvestment Period, the criteria set out below under "*Following the Expiry of the Reinvestment Period*". The Reinvestment Criteria shall not apply prior to the Effective Date or in the case of a Collateral Debt Obligation which has been restructured on and following the point at which such restructuring has become binding on the holders thereof (whether or not such obligation would constitute a "Restructured Obligation"), provided that, for the avoidance of doubt, if a restructured obligation (whether or not constituting a "Restructured Obligation") is subsequently sold by the Investment Manager or Unscheduled Principal Proceeds or Scheduled Principal Proceeds are received in connection with such restructured obligation, any reinvestment of the Sale Proceeds, Unscheduled Principal Proceeds or Scheduled Principal Proceeds (as applicable) shall be subject to the Reinvestment Criteria.

During the Reinvestment Period

During the Reinvestment Period, the Investment Manager (acting on behalf of the Issuer) may, at its discretion, reinvest any Principal Proceeds in the purchase of Substitute Collateral Debt Obligations satisfying the Eligibility Criteria (and, where applicable, provided the Trading Requirements are met) 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, must be satisfied:

(a) to the Investment Manager's knowledge, no Event of Default has occurred that is continuing at the time of such purchase;

(b) following the Effective Date (or in the case of the Interest Coverage Tests, the Determination Date preceding the second Payment Date) if 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 than it was immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation;

(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 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) (for which 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 representing Principal Proceeds (save for interest accrued on Eligible Investments)) is 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) (for which 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 representing Principal Proceeds (save for interest accrued on Eligible Investments)) is 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 Collateral Quality Tests are not satisfied, such test will be maintained or improved after giving effect to such reinvestment when compared with the position immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation,

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 Investment Manager acting on behalf of the Issuer) enters into a binding commitment to purchase such Collateral Debt Obligation occurs during the Reinvestment Period; and

(g) with respect to the reinvestment of Sale Proceeds (other than Sale Proceeds from Credit Improved Obligations, Credit Impaired Obligations, Defaulted Obligations and Exchanged Equity 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 (for such purpose the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value) 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

(B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments representing Principal Proceeds (save for interest accrued on Eligible Investments)) is greater than the Reinvestment Target Par Balance;

provided that, for the avoidance of doubt, with respect to any Collateral Debt Obligations for which the trade date has occurred during the Reinvestment Period but which settle after such date, the purchase of such Collateral Debt Obligations shall be treated as a purchase made during the Reinvestment Period for purposes of the Trust Deed.

"**Reinvestment Target Par Balance**" means, as of any date of determination, the Target Par Amount minus the amount of any reduction in the Principal Amount Outstanding of the Notes and plus the Principal Amount Outstanding of any additional Notes issued pursuant to Condition 17 (*Additional Issuances*), or, if greater, the aggregate amount of Principal Proceeds that result from the issuance of such additional Notes.

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 Improved Obligations and Credit Impaired Obligations, only, may be reinvested by the Investment Manager (acting on behalf of the Issuer) in one or more Substitute Collateral Debt Obligations satisfying the Eligibility Criteria (and, where applicable, provided the Trading Requirements are met), in each case provided that:

(a) the Aggregate Principal Balance of Substitute Collateral Debt Obligations equals or exceeds:

   (i) in the case of Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Improved Obligations, the Aggregate Principal Balance of the related Collateral Debt Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds, as the case may be; and

   (ii) in the case of Sale Proceeds from the sale of Credit Improved Obligations or Credit Impaired Obligations, such Sale Proceeds;

(b) the Maximum Weighted Average Life Test and Moody's Weighted Average Rating Factor Test are satisfied immediately after giving effect to such reinvestment;

(c) each Coverage Test is satisfied both before and after giving effect to such reinvestment;

(d) either:

   (i) the Portfolio Profile Tests and the Collateral Quality Tests (other than the Portfolio Profile Test mentioned in paragraph (i) and (j) below, the Collateral Quality Tests listed in paragraph (b) above and the S&P CDO Monitor Test) are satisfied after giving effect to such reinvestment; or

   (ii) if any such test was not satisfied immediately prior to such reinvestment, such test will be satisfied after giving effect to such reinvestment or will be maintained or improved after giving effect to such reinvestment;

(e) to the Investment Manager's knowledge, no Event of Default has occurred that is continuing at the time of such reinvestment;

(f) the Stated Maturity of each Substitute Collateral Debt Obligation is the same as or earlier than the Stated Maturity of the Collateral Debt Obligation that produced such Unscheduled Principal Proceeds or Sale Proceeds;

(g) the Maximum Weighted Average Life Test was satisfied on the last Business Day of the Reinvestment Period;

(h) a Restricted Trading Period is not currently in effect;

(i) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are S&P CCC Obligations;

(j) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Moody's Caa Obligations; and

(k) such Substitute Collateral Debt Obligation(s) have the same or a higher S&P Rating as the Collateral Debt Obligation that produced such Unscheduled Principal Proceeds or Sale Proceeds, as the case may be.

Following the expiry of the Reinvestment Period, any Unscheduled Principal Proceeds, any Sale Proceeds from the sale of Credit Impaired Obligations and any Sale Proceeds from the sale of 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 Payment on the next following Payment Date (subject as provided in the proviso at the end of this paragraph), save that the Investment Manager (acting on behalf of the Issuer) may in its discretion procure that Unscheduled Principal Proceeds, Sale Proceeds from the sale of any Credit Impaired Obligations and Sale Proceeds from the sale of any 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) thirty 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 Payments.

The Trading Requirements

Notwithstanding anything to the contrary herein, the Issuer (or the Investment Manager on its behalf) will not acquire (whether by purchase or substitution) or dispose of any Custodial Asset unless the Trading Requirements are satisfied in connection with such acquisition or disposition, provided that at any time, the Issuer (or the Investment Manager on its behalf) may elect (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "**covered fund**" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption provided by Section 3(c)(7) of the Investment Company Act by written notice thereof to the Trustee in which case, at all times thereafter, there will be no Trading Requirements, and all references to such requirements in the Trust Deed and other Transaction Documents shall no longer be in effect. See "*Risk Factors – General – Issuer Reliance on Rule 3a-7*" and "*Risk Factors - Relating to the Collateral - The Portfolio*".

"**Custodial Assets**" means all Collateral Debt Obligations, Collateral Enhancement Obligations, Exchanged Equity Securities, Counterparty Downgrade Collateral and Eligible Investments and in each case any sums received in respect thereof held from time to time by the Custodian (or any duly authorised sub-custodian) pursuant to the Agency Agreement.

Amendments to Stated Maturities of Collateral Debt Obligations

The Issuer (or the Investment Manager on the Issuer's behalf) may vote in favour of a Maturity Amendment only if, after giving effect to such Maturity Amendment:

(a) the Stated Maturity of the Collateral Debt Obligation that is the subject of such Maturity Amendment is not later than the Maturity Date of the Rated Notes; and

(b) the Maximum Weighted Average Life Test is satisfied.

If the Issuer or the Investment Manager (on behalf of the Issuer) has not voted in favour of a Maturity Amendment which would contravene the requirements of this paragraph but the Stated Maturity has been extended, by way of scheme or arrangement or otherwise, the Issuer or the Investment Manager (acting on behalf of the Issuer) may (but shall not be required to) sell such Collateral Debt Obligation provided that in any event the Investment 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.

"**Maturity Amendment**" means with respect to any Collateral Debt Obligation, any waiver, modification, amendment or variance (other than in connection with an insolvency, bankruptcy, reorganisation, debt restructuring or workout of the Obligor thereof) that would extend the Stated Maturity of such Collateral Debt Obligation. For the avoidance of doubt, a waiver, modification, amendment or variance that would extend the Stated Maturity of the credit facility of which a Collateral Debt Obligation is part, but would not extend the Stated Maturity of the Collateral Debt Obligation held by the Issuer, does not constitute a Maturity Amendment.

Expiry of the Reinvestment Criteria Certification

Immediately preceding the end of the Reinvestment Period, the Investment 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

If the Class F Par Value Ratio is less than 104.66 per cent., on the relevant Determination Date during the Reinvestment Period, 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 (W) 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) to (V) (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 (W) of the Interest Proceeds Priority of Payments,

such amounts to be applied during the Reinvestment Period to purchase additional Collateral Debt Obligations.

Designation for Reinvestment

After the expiry of the Reinvestment Period, the Investment Manager shall, one Business Day following each Determination Date, notify the Issuer and the Collateral Administrator in writing of all Principal Proceeds which the Investment Manager determines in its discretion (acting on behalf of the Issuer, and subject to the terms of Investment Management and Collateral Administration Agreement as described above) shall remain designated for reinvestment in accordance with the Reinvestment Criteria, on or after the following Payment Date 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 Investment 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) 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; and

(c) any interest received in respect of a Defaulted Obligation for so long as it is a Defaulted Obligation other than Defaulted Obligation Excess Amounts.

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 Investment Manager (acting on behalf of the Issuer) but subject to the terms of the Investment Management and Collateral Administration 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 shall constitute Purchased Accrued Interest and shall be deposited into the Principal Account as Principal Proceeds.

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 if 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 Investment Manager in its sole discretion, any proposed investment (whether a single Collateral Debt Obligation or a group of Collateral Debt Obligations) identified by the Investment Manager as such at the time (the "**Initial Trading Plan Calculation Date**") when compliance with the Reinvestment Criteria is required to be calculated (a "**Trading Plan**") may be evaluated after giving effect to all sales and reinvestments proposed to be entered into within the ten Business Days following the date of determination of such compliance (such period, the "**Trading Plan Period**"); provided that:

(a) 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 as of the first day of the Trading Plan Period (for which purposes, the Principal Balance of each Defaulted Obligation shall be its S&P Collateral Value);

(b) no Trading Plan Period may include a Determination Date;

(c) no more than one Trading Plan may be in effect at any time during a Trading Plan Period; and

(d) 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 is obtained with respect to the effectiveness of additional Trading Plans (it being understood that Rating Agency Confirmation shall only be required once following any failure of a Trading Plan);

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, compliance with the Reinvestment Criteria upon completion of a Trading Plan pursuant to paragraph (d) above, shall be calculated with respect to those Collateral Debt Obligations that were actually sold and/or purchased as part of the relevant Trading Plan on the basis of data used as at the Initial Trading Plan Calculation Date.

Eligible Investments

Subject to the Trading Requirements (so long as they are applicable), the Issuer or the Investment 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(s), Unfunded Revolver Reserve Account or the Payment Account). For the avoidance of doubt, Eligible Investments may be sold by the Issuer or the Investment Manager (acting on behalf of the Issuer) at any time in accordance with the Trading Requirements (so long as they are applicable).

Collateral Enhancement Obligations

The Investment Manager, acting on behalf of the Issuer, may from time to time, subject to the Trading Requirements (so long as they are applicable) purchase Collateral Enhancement Obligations independently or as part of a unit with the Collateral Debt Obligations being so purchased provided that such Collateral Debt Obligation may not constitute a Dutch Ineligible Security.

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 Contributions and the Balance standing to the credit of the Collateral Enhancement Account at the relevant time. Pursuant to Condition 3(j)(vi) (*Collateral Enhancement 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 Subordinated Notes which the Investment Manager acting on behalf of the Issuer, determines shall be paid into the Collateral Enhancement Account pursuant to the Priorities of Payment rather than being paid to the Subordinated Noteholders.

Collateral Enhancement Obligations may be sold at any time by the Issuer, or the Investment 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 at any time required to satisfy, any of the Coverage Tests, Portfolio Profile Tests, Reinvestment Overcollateralisation Test or Collateral Quality Tests.

Exercise of Warrants and Options

The Investment Manager, acting on behalf of the Issuer, may at any time, subject to the Trading Requirements (so long as they are applicable) 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 Investment Management and Collateral Administration Agreement requires that the Investment Manager, on behalf of the Issuer, shall use reasonable endeavours to sell any Collateral Debt Obligation, Exchanged Equity Security or Collateral Enhancement Obligation which is or at any time becomes Margin Stock as soon as practicable following such event.

"**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.

Non-Euro Obligations

Subject to the satisfaction of certain conditions in the Investment Management and Collateral Administration Agreement, the Investment Manager shall from time to time be authorised to purchase, in accordance with the Trading Requirements so long as they are applicable, on behalf of the Issuer, Non-Euro Obligations provided that any such Non-Euro Obligation shall only constitute a Collateral Debt Obligation that satisfies paragraph (b) of the Eligibility Criteria if the Investment Manager, on behalf of the Issuer, enters, as soon as practicable following entry into a binding commitment to purchase such Collateral Debt Obligation and no later than the settlement date of the acquisition of the relevant Collateral Debt Obligation, into an Asset Swap Transaction (which shall relate to the purchased Collateral Debt Obligation) 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 an Asset Swap Counterparty. Subject to the satisfaction of the Hedging Condition, the Investment Manager (on behalf of the Issuer) shall be authorised to enter into spot exchange transactions, as necessary, but solely to fund the Issuer's payment obligations under any Asset Swap Transaction. Rating Agency Confirmation shall be required in relation to entry into each Asset Swap Transaction unless such Asset Swap Transaction is a Form-Approved Asset Swap. See the "*Hedging Arrangements*" section of this Prospectus.

Revolving Obligations and Delayed Drawdown Collateral Debt Obligations

The Investment Manager, acting on behalf of the Issuer, may from time to time acquire in accordance with the Trading Requirements, so long as they are applicable, Collateral Debt Obligations which are Revolving Obligations or Delayed Drawdown Collateral Debt Obligations.

Such Revolving Obligations and Delayed Drawdown Collateral Debt Obligations may only be acquired if they are capable of being drawn in a single currency only (being Euros) and are not payable in or convertible into another currency.

Each Revolving Obligation and Delayed Drawdown Collateral Debt 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 if any default by the Obligor thereof in respect of its reimbursement obligations in connection therewith occurs). Such Revolving Obligations and Delayed Drawdown Collateral Debt 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 Collateral Debt Obligations, the Issuer shall deposit into the applicable Unfunded Revolver Reserve Account amounts equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Collateral Debt Obligations. To the extent required, the Issuer, or the Investment 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 payment obligations of the Issuer in relation to a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation, as applicable, including but not limited to reimbursement or indemnification obligations owed by the Issuer to any other lender in connection with a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation, as applicable and upon receipt of an Issuer Order (as defined in the Investment Management and Collateral Administration Agreement) the Trustee shall be deemed to have released such amounts from the security granted thereover pursuant to the Trust Deed.

Participations

The Investment Manager acting on behalf of the Issuer, may from time to time in accordance with the Trading Requirements (so long as they are applicable) 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, each having the same credit rating (taking the lowest rating assigned thereto by any 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 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.

Assignments

The Investment Manager acting on behalf of the Issuer, may from time to time in accordance with the Trading Requirements (so long as they are applicable) acquire Collateral Debt Obligations from Selling Institutions by way of Assignment provided that at the time such Collateral Debt Obligation is acquired by way of Assignment the Investment Manager, acting on behalf of the Issuer, shall have complied, to the extent within its 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 "*Portfolio Profile Tests*" below and "*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) 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

S&P Issuer Credit Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*
AAA	5%	5%
AA+	5%	5%
AA	5%	5%
AA-	5%	5%
A+	5%	5%
A and A-1	5%	5%
A- or below	0%	0%

Moody's Long-Term/Short Term Senior Unsecured Debt Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*
Aaa	5%	5%
Aa1	5%	5%
Aa2	5%	5%
Aa3	5%	5%
A1	5%	5%
A2 and P-1	5%	5%
A2 (without a Moody's short-term rating of at least P-1) 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).

Substitute Collateral Debt Obligations in respect of which a binding commitment has been made to purchase such Substitute 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 and the Collateral Quality Tests at any time as if such purchase had been completed. 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 Collateral Quality Tests and Portfolio Profile Tests at any time as if such sale had been completed. See "*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 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Secured Senior Loans or Secured Senior Bonds (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);

(b) not less than 60 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Secured Senior Loans (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);

(c) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds;

(d) with respect to Secured Senior Loans and Secured Senior Bonds, not more than 2.5 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor, provided that the Aggregate Principal Balance of up to five Obligors may each represent up to 3 per cent. of the Aggregate Collateral Balance;

(e) with respect to Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds not more than 1.5 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor;

(f) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of Participations;

(g) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are S&P CCC Obligations;

(h) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Moody's Caa Obligations;

(i) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fixed Rate Collateral Debt Obligations;

(j) not more than 2.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Current Pay Obligations;

(k) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Unfunded Amounts or Funded Amounts under Revolving Obligations or Delayed Drawdown Collateral Debt Obligations;

(l) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of Corporate Rescue Loans and not more than 2 per cent. of the Aggregate Collateral Balance shall consist of Corporate Rescue Loans issued by a single Obligor;

(m) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are PIK Securities, provided that such PIK Securities are Restructured Obligations;

(n) not more than 20 per cent. of the Aggregate Collateral Balance shall consist of Cov-Lite Loans;

(o) not more than 20 per cent. of the Aggregate Collateral Balance shall consist of loans originated by the Investment Manager, provided that for the purposes of this calculation (i) loans that are syndicated to an initial lender group of greater than five and (ii) senior tranches of loans not originated by the Investment Manager where mezzanine tranches of the senior loans were originated by the Investment Manager, shall in either case not be counted as originated by the Investment Manager;

(p) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of Obligors who are Domiciled in countries with a Moody's local currency country risk ceiling rated below "Aa3" by Moody's provided that the Aggregate Principal Balance of Collateral Debt Obligations of Obligors Domiciled in countries or jurisdictions with a local currency country risk ceiling rated below "A3" by Moody's shall not be greater than 5 per cent. of the Aggregate Collateral Balance and provided further that the Aggregate Principal Balance of Collateral Debt Obligations of Obligors Domiciled in countries or jurisdictions with a local currency country risk ceiling rated below "Baa3" by Moody's shall not be greater than 0 per cent. of the Aggregate Collateral Balance;

(q) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of Obligors who are Domiciled in countries or jurisdictions rated below "A-" by S&P;

(r) not more than 12 per cent. of the Aggregate Collateral Balance shall be obligations comprising any one S&P Industry Classification provided that any four S&P Industry Classifications may each comprise up to 15 per cent. of the Aggregate Collateral Balance and one S&P Industry Classification may comprise up to 17.5 per cent. of the Aggregate Collateral Balance;

(s) the limits set forth in the Bivariate Risk Table determined by reference to the ratings of Selling Institutions shall be satisfied;

(t) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of obligations whose Moody's Rating is derived from an S&P Rating;

(u) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of obligations whose S&P Rating is derived from a Moody's Rating;

(v) not more than 30 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Non-Euro Obligations;

(w) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Annual Obligations;

(x) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations issued by Obligors in respect of which the total potential indebtedness of the relevant Obligor thereof under all underlying instruments governing such Obligor's indebtedness is an aggregate principal amount (whether drawn or undrawn) of equal to or greater than EUR 75,000,000 but less than EUR 150,000,000 (or its equivalent in any currency); and

(y) not more than 12.5 per cent. of the Aggregate Collateral Balance shall consist of obligations issued by Obligors in respect of which the total potential indebtedness of the relevant Obligor thereof under all underlying instruments governing such Obligor's indebtedness is an aggregate principal amount (whether drawn or undrawn) of less than 200,000,000 (or its equivalent in any currency),

provided that, with respect to paragraphs (d) and (e) above, the Aggregate Principal Balance which is attributable to a single Obligor shall not exceed 2.5 per cent. of the Aggregate Collateral Balance and provided further that the Aggregate Principal Balance of up to five Obligors may each represent up to 3 per cent. of the Aggregate Collateral Balance.

The percentage requirements applicable to different types of Collateral Debt Obligations specified in the Portfolio Profile Tests shall be determined by reference to the Aggregate Principal Balance of such type of Collateral Debt Obligations, excluding Defaulted Obligations. Obligations for which the Issuer (or the Investment Manager acting on behalf of the Issuer) has entered into binding commitments to purchase but have not yet settled shall be included for the purposes of calculating the Portfolio Profile Tests at any time as if such purchase had been completed. 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 at any time as if such sale had been completed.

"**S&P Industry Classification**" means an industry classification set out in the table below or as otherwise modified, amended or replaced by S&P from time to time:

Asset Code	**Asset Description**
1	Aerospace and Defense
2	Air transport
3	Automotive
4	Beverage & Tobacco
5	Radio & Television
7	Building & Development
8	Business equipment & services
9	Cable & satellite television
10	Chemicals & plastics
11	Clothing/textiles
12	Conglomerates
13	Containers & glass products
14	Cosmetics/toiletries
15	Drugs
16	Ecological services & equipment
17	Electronics/electrical
18	Equipment leasing

19	Farming agriculture
20	Financial Intermediaries
21	Food/drug retailers
22	Food products
23	Food service
24	Forest products
25	Health care
26	Home furnishings
27	Lodging & casinos
28	Industrial equipment
30	Leisure goods/activities/movies
31	Nonferrous metals/minerals
32	Oil & gas
33	Publishing
34	Rail industries
35	Retailers (except food & drug)
36	Steel
37	Surface transport
38	Telecommunications
39	Utilities
40	Mortgage REITs
41	Equity REITs and REOCs
43	Life Insurance
44	Health Insurance
45	Property & Casualty Insurance
46	Diversified Insurance

Collateral Quality Tests

The Collateral Quality Tests will consist of each of the following:

(a) so long as any Notes rated by S&P are Outstanding:

  (i) the S&P CDO Monitor Test; and

  (ii) the S&P Minimum Weighted Average Recovery Rate Test;

(b) 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; and

  (iii) the Moody's Minimum Weighted Average Recovery Rate Test; and

(c) so long as any Rated Notes are Outstanding:

  (i) the Minimum Weighted Average Spread Test;

  (ii) Minimum Weighted Average Fixed Coupon Test; and

  (iii) the Maximum Weighted Average Life Test,

each as defined in the Investment Management and Collateral Administration Agreement.

Obligations which are to constitute Collateral Debt Obligations for which the Issuer (or the Investment Manager acting on behalf of the Issuer) has entered into binding commitments to purchase but have not yet settled shall be included for the purposes of calculating the Collateral Quality Tests at any time as if such purchase had been completed. 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 Collateral Quality Tests at any time as if such sale had been completed.

The S&P Matrix

"**S&P Matrix**": S&P will provide the Investment Manager with the Class Break-Even Default Rates for each S&P CDO Monitor based upon portfolios with weighted average spreads, and recovery rates to be associated with such S&P CDO Monitor as selected by the Investment Manager in accordance with the definition of "S&P CDO Monitor Test" or any other weighted average spreads and recovery rates selected by the Investment Manager from time to time. For each Class of Rated Notes, the Class Break-Even Default Rate will be determined as follows: (A) the applicable weighted average spread will be the spread between 2.4 per cent. and 6.0 per cent. (in increments of 0.01 per cent.) without exceeding the Weighted Average Spread as of such Measurement Date (the "**S&P Matrix Spread**") and (B) the applicable weighted average coupon will be the coupon between 4.0 per cent. and 15.0 per cent. (in increments of 0.01 per cent.) without exceeding the Weighted Average Fixed Rate Coupon as of such Measurement Date (the "**S&P Matrix Coupon**" and together with the S&P Matrix Spread, the "**S&P Matrix Spread and Coupon**") and (C) the applicable weighted average recovery rates with respect to the Rated Notes will be the recovery rate between (i) in the case of the Class A Notes, 20 per cent. and 50 per cent., (ii) in the case of the Class B Notes, 26 per cent. and 60 per cent., (iii) in the case of the Class C Notes, 30 per cent. and 66 per cent., (iv) in the case of the Class D Notes, 35 per cent. and 72 per cent., (v) in the case of the Class E Notes, 40 per cent. and 78 per cent., and (vi) in the case of the Class F Notes, 40 per cent. and 85 per cent. (the "**Recovery Rate Case**") . On and after the Effective Date, the Investment Manager will have the right to choose which Recovery Rate Case and which S&P Matrix Spread will be applicable for purposes of both (i) the S&P CDO Monitor Test and (ii) the S&P Minimum Weighted Average Recovery Rate Test.

After the Effective Date, the Investment Manager may request from time to time for S&P to provide S&P CDO Monitors for up to 50 different combinations of S&P Matrix Spreads and 25 Recovery Rate Cases at each

request, which may, for example, be 2 S&P Matrix Spreads and 25 Recovery Rate Cases or 10 S&P Matrix Spread and Coupons and 5 Recovery Rate Cases. On ten Business Days' written notice to the Collateral Administrator (or such shorter time as may be acceptable to the Collateral Administrator), the Investment Manager may choose a different Recovery Rate Case and/or S&P Matrix Spread and Coupon; provided that the Collateral Debt Obligations must be in compliance with such different Recovery Rate Case and/or S&P Matrix Spread and Coupon and, solely for purposes of this proviso, if the Issuer has entered into a binding commitment to invest in a Collateral Debt Obligation, compliance with the newly selected Recovery Rate Case and/or S&P Matrix Spread and Coupon then applicable and would not be in compliance with any other Recovery Rate Case and/or S&P Matrix Spread and Coupon, as applicable, that is not further out of compliance than the current Recovery Rate Case and/or S&P Matrix Spread and Coupon. In the event the Investment Manager fails to choose (A) a Recovery Rate Case prior to the Effective Date, the following will apply: with respect to the Class A Notes, 36.25 per cent.; the Class B Notes, 43.75 per cent.; the Class C Notes, 49.75 per cent.; the Class D Notes, 55.75 per cent.; the Class E Notes, 60.75 per cent., and the Class F Notes, 62.50 per cent. or (B) an S&P Matrix Spread and Coupon prior to the Effective Date, an S&P Matrix Spread 4.10 per cent. and an S&P Matrix Coupon of 5.75 per cent. will apply.

The S&P CDO Monitor Test

The "**S&P CDO Monitor Test**" will be satisfied on any date from the Effective Date until the end of the Reinvestment Period following receipt by the Issuer, the Investment Manager and the Collateral Administrator of the S&P CDO Monitor (along with the assumptions and instructions to run the S&P CDO Monitor Test and in a form that performs as intended with respect to the Collateral Debt Obligations) if, after giving effect to the purchase or sale of a Collateral Debt Obligation, each Class Default Differential of the Proposed Portfolio is positive. The S&P CDO Monitor Test will be considered to be improved if each Class Default Differential of the Proposed Portfolio is greater than the corresponding Class Default Differential of the Current Portfolio.

The "**Class Break-Even Default Rate**" is, with respect to any Class of Rated Notes then rated by S&P, the maximum percentage of defaults, at any time, which 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 Investment Manager in accordance with the definition of "S&P Matrix" 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 Priorities of Payment, will result in sufficient funds remaining for the payment of such Class or Classes of Notes in full. After the Effective Date, S&P will provide the Investment Manager with the Class Break-Even Default Rates for each S&P CDO Monitor based upon the Recovery Rate Case and S&P Matrix Spread and Coupon to be associated with such S&P CDO Monitor as selected by the Investment Manager (with a copy to the Collateral Administrator) as set out in the Investment Management and Collateral Administration Agreement or any other Recovery Rate Case or S&P Matrix Spread and Coupon selected by the Investment Manager from time to time.

The "**Class Default Differential**" is, with respect to any Class of Rated Notes then rated by S&P, at any time, the rate calculated by subtracting the Class Scenario Default Rate at such time for such Class of Notes from the Class Break-Even Default Rate for such Class of Notes at such time.

The "**Class Scenario Default Rate**" is, with respect to any Class of Rated Notes then rated by S&P, at any time, 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 of Notes, determined by application by the Investment Manager of the S&P CDO Monitor Test at such time.

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.

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 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**" means the dynamic, analytical computer model developed by S&P and used to estimate default risk of Collateral Debt Obligations and provided to the Investment Manager on or before the Issue Date, as it may be modified by S&P from time to time. 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. In calculating the scenario default rate in respect of a Class of Notes, the S&P CDO Monitor considers each Obligor's issuer credit rating, the number of Obligors in the portfolio, the Obligor and industry concentrations in the portfolio and the remaining weighted average maturity of the Collateral Debt Obligations and Eligible Investments and calculates a cumulative default rate based on the statistical probability of distributions or defaults on the Collateral Debt Obligations and Eligible Investments.

The S&P Minimum Weighted Average Recovery Rate Test

The "**S&P Minimum Weighted Average Recovery Rate Test**" will be satisfied on any Measurement Date from (and including) the Effective Date if, for each Class of Rated Notes, the S&P Weighted Average Recovery Rate is greater than or equal to the percentage set forth in the S&P Matrix based upon the Recovery Rate Case chosen by the Investment Manager.

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 Investment Management and Collateral Administration Agreement or as advised by S&P. Extracts of the S&P Recovery Rates applicable under the Investment Management and Collateral Administration Agreement are set out in Annex C (*S&P Recovery Rates*) of this Prospectus.

"**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.

Moody's Test Matrix

Subject to the provisions provided below, on or after the Effective Date, the Investment Manager will have the option to elect which of the cases set forth in the matrix to be set out in the Investment Management and Collateral Administration 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 Investment Manager will be required to elect which case shall apply initially. Thereafter, with notice to the Issuer, the Collateral Administrator and Moody's, the Investment 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 Investment 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 Investment Manager be obliged to elect to have a different case apply.

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 Investment 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 (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 Payments, 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 35 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 Unite Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit 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

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unite Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
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
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 of the Collateral Debt Obligations 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 Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) (acting on behalf of the Issuer) as at such Measurement Date; *plus*

(b) the Moody's Weighted Average Recovery Adjustment; *plus*

(c) the Moody's Par WARF Modifier,

provided, however, that the sum of (a), (b) and (c) may not exceed 3,900.

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 up 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) 42; and

(ii) (A) with respect to the adjustment of the Moody's Maximum Weighted Average Rating Factor Test,

(1) if the Weighted Average Spread is less than 3.00%, 60;

(2) if the Weighted Average Spread is greater than or equal to 3.00% and less than 3.50%, 75;

(3) if the Weighted Average Spread is greater than or equal to 3.50% and less than 4.50%, 80;

(4) in all other cases, 85; and

(B) with respect to adjustment of the Minimum Weighted Average Spread, 0.06%,

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 per cent., then such Weighted Average Moody's Recovery Rate shall equal 60 per cent. unless Rating Agency Confirmation is received from Moody's.

The "**Moody's Par WARF Modifier**" means, as of any Measurement Date, the number determined pursuant to the Moody's Excess Par table below corresponding to the Moody's Excess Par and the Weighted Average Spread as of such Measurement Date, *provided that*, if the Moody's Excess Par does not equal a value set forth

in the columns below, the Moody's Par WARF Modifier determined pursuant to the table below shall be interpolated on a linear basis between the two nearest Moody's Excess Par values.

	Moody's Excess Par (€)							
Moody's Weighted Average Spread	12, 000,000	10,500,000	9,000,000	7,500,000	6,000,000	4,500,000	3,000,000	1,500,000
Less than or equal to 3.50%	150	130	110	93	75	60	45	35
3.51% to 4.80%	80	73	65	55	45	40	35	30
Greater than 4.81%	35	33	30	28	25	20	15	10
	Moody's Par WARF Modifier							

The "**Moody's Excess Par**" means, as of any Measurement Date, the number equal to the greater of:

(a) the Adjusted Collateral Principal Amount *minus* the Target Par Amount as reduced by any reduction in the Aggregate Principal Amount Outstanding of the Notes; and

(b) zero.

"**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 in connection with determining the Moody's Weighted Average Rating Factor for purposes of this definition, 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 sub-category;

(b) negative watch will be treated as having been downgraded by two rating sub-categories; and

(c) negative outlook will be treated as having been downgraded by one rating sub-category.

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) 42 per cent. minus (b) the Moody's Weighted Average Rating Factor Adjustment, provided however that the sum of (a) and (b) may not be less than 36 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 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 Investment Management and Collateral Administration Agreement or as so advised by Moody's. Extracts of the Moody's Recovery Rate applicable under the Investment Management and Collateral Administration Agreement are set out in Annex B (*Moody's Recovery Rates*) of this Prospectus.

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 Investment 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) 90 if the Weighted Average Spread is equal to or higher than 2.4 per cent. but less than 5.0 per cent, or (B) 100 if the Weighted Average Spread is equal to or higher than 5.0 per cent.;

and dividing the result by 100.

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 Spread as at such Measurement Date equals or exceeds the Minimum Weighted Average Spread as at such Measurement Date.

The "**Minimum Weighted Average Spread**", as of any Measurement Date, will equal the greater of (a) the percentage set forth in the S&P Matrix based upon the option chosen by the Investment Manager and (b) the percentage set forth in the Moody's Tests Matrix based upon the option chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) reduced by the Moody's Weighted Average Recovery Adjustment, provided such reduction may not reduce the Minimum Weighted Average Spread below 2.4 per cent.

The "**Weighted Average Spread**" as of any Measurement Date will equal a fraction (expressed as a percentage) obtained by (X) summing the following:

(a) the product obtained by multiplying:

(i) the Principal Balance (excluding Purchased Accrued Interest) of each Floating Rate Collateral Debt Obligation (excluding (i) Defaulted Obligations, (ii) Revolving Obligations, (iii) Delayed Drawdown Collateral Debt Obligations and (iv) PIK Securities) held by the Issuer as at such Measurement Date; by

(ii) its Effective Spread,

in each case excluding, in respect of each Mezzanine Obligation held by the Issuer in respect of such Measurement Date, any interest which has been contractually deferred pursuant to its terms; and

(b) the product obtained by multiplying:

(i) the aggregate of each Unfunded Amount of Floating Rate Collateral Debt Obligations (excluding Purchased Accrued Interest) held by the Issuer as at such Measurement Date in respect of which a commitment fee is receivable by the Issuer; by

(ii) the current per annum rate payable by way of such commitment fee in respect of each such Unfunded Amount; and

(c) the product obtained by multiplying:

(i) the aggregate of each Funded Amount of Floating Rate Collateral Debt Obligations (excluding Purchased Accrued Interest) held by the Issuer as at such Measurement Date; by

(ii) the Effective Spread applicable to each such Funded Amount as at such Measurement Date,

and dividing such sum by (Y) the sum of the Principal Balances (excluding Purchased Accrued Interest) of each Floating Rate Collateral Debt Obligation referred to in paragraph (a)(i) (but including the Principal Balance of PIK Securities) and of all Funded Amounts and Unfunded Amounts referred to in paragraphs (b)(i) and (c)(i) as above (the division of (X) and (Y) above the "**Non-Adjusted Weighted Average Spread**"), adding (Z) the Gross Fixed Rate Excess (but only to the extent the Minimum Weighted Average Spread Test is not satisfied), provided that for such purpose:

(i) a Fixed Rate Collateral Debt Obligation which is subject to an Interest Rate Hedge Transaction which swaps the fixed rate on such Collateral Debt Obligation for a floating rate shall be treated as a Floating Rate Collateral Debt Obligation with a stated spread and index equal to the stated floating rate payable by the applicable Interest Rate Hedge Counterparty to the Issuer under such Interest Rate Hedge Transaction;

(ii) a Floating Rate Collateral Debt Obligation which is subject to an Interest Rate Hedge Transaction which swaps the floating rate on such Collateral Debt Obligation for a fixed rate shall be disregarded; and

(iii) in the case of Restructured Obligations, interest that will be withheld or deducted because of tax reasons and which withheld or deducted amounts will not be grossed-up or recoverable under any applicable double tax treaty or otherwise shall be excluded.

Further, the Effective Spread shall be deemed to be (x) in respect of a Step-Down Coupon Security, the lowest Effective Spread that is permissible pursuant to and in accordance with the Underlying Investments relating thereto and (y) in respect of a Step-Up Coupon Security, the Effective Spread applicable as at the relevant Measurement Date.

"**Effective Spread**" means (A) with respect to any Euro denominated Floating Rate Collateral Debt Obligation (including the Funded Amount of any such Revolving Obligation or Delayed Drawdown Obligation), the current per annum rate at which it pays interest in excess of EURIBOR or such other floating rate index and (B) with respect to any Asset Swap Obligations which is a Floating rate Collateral Debt Obligation the current per annum rate at which the related Asset Swap Transaction pays interest in excess of EURIBOR or such other floating rate index upon which the related Asset Swap Transaction pays interest, (in each case any such floating rate index, a "**Base Rate**" and any such current per annum rate the "**Spread**") upon which such Collateral Debt Obligation bears interest; provided, that, if such Floating Rate Collateral Debt Obligation utilises a minimum Base Rate for the purposes of calculating interest due on such Floating Rate Collateral Debt Obligation or under the related Asset Swap Transaction (the "**Base Rate Floor**") and the Base Rate Floor is in effect, then such asset shall have an Effective Spread equal to its Spread plus its Base Rate Floor minus its Base Rate.

The Minimum Weighted Average Fixed Coupon Test

The "**Minimum Weighted Average Fixed Coupon Test**" means the test which will be satisfied if, as at any Measurement Date from (and including) the Effective Date, the Weighted Average Fixed Rate Coupon as at such Measurement Date equals or exceeds the Minimum Weighted Average Fixed Coupon as at such Measurement Date.

"**Minimum Weighted Average Fixed Coupon**" will be satisfied as if any Measurement Date from and including the Effective Date, if the Weighted Average Fixed Rate Coupon equals or exceeds 5.75 per cent.

The "**Weighted Average Fixed Rate Coupon**" as of any Measurement Date will equal a fraction (expressed as a percentage) obtained by (X) summing the following:

(a) the products obtained by multiplying:

(i) the Principal Balance (excluding Purchased Accrued Interest) of each Fixed Rate Collateral Debt Obligation (excluding (i) Defaulted Obligations, (ii) Revolving Obligations, (iii) Delayed Drawdown Obligations and (iv) PIK Securities) held by the Issuer as at such Measurement Date; by

(ii) (A) in the case of Euro-denominated Fixed Rate Collateral Debt Obligations, its stated coupon; or (B) in the case of an Asset Swap Obligation, the current per annum coupon at which the related Asset Swap Transaction pays interest; and

(b) the product obtained by multiplying:

(i) the aggregate of each Funded Amount of Fixed Rate Collateral Debt Obligations (excluding Purchased Accrued Interest) held by the Issuer as at such Measurement Date; by

(ii) the stated coupon applicable to each such Funded Amount as at such Measurement Date,

and dividing such sum by (Y) the sum of the Principal Balances (excluding Purchased Accrued Interest) of each Fixed Rate Collateral Debt Obligation referred to in paragraph (a)(i) (but including the Principal Balance of PIK Securities) and of all Funded Amounts referred to in paragraph (b)(i) as above, the division of (X) and (Y) above, the "**Non-Adjusted Weighted Average Fixed Rate Coupon**"), adding (Z) the Gross Spread Excess (but only to the extent the Minimum Weighted Average Fixed Coupon Test is not satisfied), provided that for such purpose:

(i) a Floating Rate Collateral Debt Obligation which is subject to an Interest Rate Hedge Transaction which swaps the floating rate on such Collateral Debt Obligation for a fixed rate shall be treated as a Fixed Rate Collateral Debt Obligation with a coupon equal to the stated coupon payable by the applicable Interest Rate Hedge Counterparty to the Issuer under such Interest Rate Hedge Transaction;

(ii) a Fixed Rate Collateral Debt Obligation which is subject to an Interest Rate Hedge Transaction which swaps the fixed rate on such Collateral Debt Obligation for a floating rate shall be disregarded; and

(iii) in the case of Restructured Obligations, interest that will be withheld or deducted because of tax reasons and which withheld or deducted amounts will not be grossed-up or recoverable under any applicable double tax treaty or otherwise shall be excluded.

Further, the coupon shall be deemed to be, (x) 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 (y) in respect of a Step-Up Coupon Security, the coupon applicable as at the relevant Measurement Date.

"**Gross Fixed Rate Excess**" as of any Measurement Date will equal a fraction (expressed as a percentage) obtained by:

(a) calculating the product of (1) the greater of zero and the excess, if any, of the Non-Adjusted Weighted Average Fixed Rate Coupon over the applicable Minimum Weighted Average Fixed Coupon on such date of determination and (2) the amount calculated in (Y) of the definition of the Weighted Average Fixed Rate Coupon; and

(b) dividing such product by the amount calculated in (Y) of the definition of the Weighted Average Spread.

"**Gross Spread Excess**" as of any Measurement Date will equal a fraction (expressed as a percentage) obtained by:

(a) calculating the product of (i) the greater of zero and the excess, if any, of the Non-Adjusted Weighted Average Spread over the applicable Minimum Weighted Average Spread on such date of determination and (ii) the amount calculated in (Y) of the definition of the Weighted Average Spread; and

(b) dividing such product by the amount calculated in (Y) of the definition of the Weighted Average Fixed Rate Coupon.

The Maximum Weighted Average Life Test

The "**Maximum Weighted Average Life Test**" will be satisfied on any Measurement Date if the Weighted Average Life as of such date is less than the number of years (rounded to the nearest one hundredth thereof) during the period from such Measurement Date to 4 June 2023.

"**Weighted Average Life**" is, as of any Measurement Date with respect to all Collateral Debt Obligations other than Defaulted Obligations, the number of years following such date obtained by summing the products obtained by multiplying:

(a) the Average Life at such time of each such Collateral Debt Obligation by (b) the Principal Balance of such Collateral Debt Obligation,

and dividing such sum by:

(b) the Aggregate Principal Balance at such time of all Collateral Debt Obligations other than Defaulted Obligations.

"**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

"**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.

"**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, 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 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 by Moody's, 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 Investment Manager in its sole discretion;

(c) if not determined pursuant to clause (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 sub-category lower than the Assigned Moody's Rating on any such senior secured obligation as selected by the Investment Manager in its sole discretion;

(d) if not determined pursuant to clause (a), (b) or (c) above, or if a credit estimate has been assigned to such Collateral Debt Obligation by Moody's upon the request of the Issuer, the Investment Manager or an Affiliate of the Investment Manager, then the Moody's Default Probability Rating is such credit estimate;

(e) if not determined pursuant to clauses (a), (b), (c) or (d) above, the Moody's Derived Rating; and

(f) if not determined pursuant to clauses (a), (b), (c), (d) or (e) above, the Collateral Debt Obligation will be deemed to have a Moody's Default Probability Rating of "**Caa3**".

"**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, one sub-category below the facility rating (whether public or private) of such Corporate Rescue Loan rated by Moody's;

(b) if not determined pursuant to clause (a) above, if the Obligor of such Collateral Debt Obligation has a long-term issuer rating by Moody's, then such long-term issuer rating;

if not determined pursuant to clause (a) or (b) above, if another obligation of the Obligor is rated by Moody's, then by adjusting the rating of the related Moody's rated obligations of the related Obligor by the number of rating sub-categories according to the table below:

Obligation Category of Rated Obligation	**Rating of Rated Obligation**	**Number of Sub-categories Relative to Rated Obligation 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

(c) if not determined pursuant to clause (a), (b) or (c) 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 (Public and Monitored)**	**Collateral Debt Obligation Rated by S&P**	**Number of Sub-categories Relative to Moody's Equivalent of S&P Rating**
Not Structured Finance Obligation	>BBB-	Not a Loan or Participation in Loan	-1
Not Structured Finance Obligation	<BB+	Not a Loan or Participation in Loan	-2
Not Structured Finance Obligation	<BB+	Loan or Participation in Loan	-2

(ii) if such Collateral Debt Obligation is not rated by S&P but another security or obligation of the Obligor has a public and monitored rating by S&P (a "**parallel security**"), then the rating of such parallel security will at the election of the Investment Manager be determined in accordance with the table set forth in sub clause (c)(i) above, and the Moody's Derived Rating for the purposes of the definition 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 clause (c) above (for such purposes treating the parallel security as if it were rated by Moody's at the rating determined pursuant to this sub clause (c)(ii)); or

(iii) 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 any other rating agency; or

(d) if such Collateral Debt Obligation is not rated by Moody's and no other security or obligation of the issuer of such Collateral Debt Obligation is rated by Moody's, and if Moody's has been requested by the Issuer, the Investment Manager or the issuer of such Collateral Debt Obligation to assign a rating or credit estimate with respect to such Collateral Debt Obligation but such rating or credit estimate has not been received, pending receipt of such estimate, the Moody's Derived Rating for purposes of the definition of Moody's Rating and Moody's Default Probability Rating (as applicable) of such Collateral Debt Obligation shall be (i) "**B3**" if the Investment Manager certifies to the Trustee and the Collateral Administrator that the Investment Manager believes that such estimate will be at least "**B3**" and if the aggregate principal balance of Collateral Debt Obligations determined pursuant to this clause (e) does not exceed 5 per cent. of the Aggregate Collateral Balance of all Collateral Debt Obligations or (ii) otherwise, "**Caa1**".

"**Moody's Rating**" means,

(a) with respect to a Collateral Debt Obligation that is a Secured Senior Loan:

(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 sub-category 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 sub-categories higher than the Assigned Moody's Rating on any such obligation as selected by the Investment Manager in its sole discretion;

(iv) if none of clauses (i) through (iii) above apply, at the election of the Investment 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**";

(b) with respect to a Collateral Debt Obligation other than a Secured Senior Loan:

(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 Investment 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 sub-category 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 sub-category higher than the Assigned Moody's Rating on any such obligation as selected by the Investment Manager in its sole discretion;

(v) if none of clauses (i) through (iv) above apply, at the election of the Investment 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**".

"**Moody's Secured Senior 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;

(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 Secured Senior Loan but for clause (y) above shall be considered a Moody's Secured Senior Loan if it is a loan made to a parent entity and as to which the Investment 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 Investment 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.

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 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) upon application by the Issuer (or the Investment 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"; and

(e) 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 (i) and (ii) below:

(i) if an obligation of the issuer is not a Corporate Rescue Loan and is publicly rated by Moody's and any successors thereto, then the S&P Rating will be determined in accordance with the methodologies for establishing the S&P Rating set forth above except that the S&P Rating of such obligation will be (1) one sub-category below the S&P equivalent of the Moody's rating if such Moody's rating is "Baa3" or higher and (2) two sub-categories below the S&P equivalent of the Moody's rating if such Moody's rating is "Ba1" or lower, provided that in each case, 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

(ii) the S&P Rating may be based on a credit estimate provided by S&P, and in connection therewith, the Issuer, the Investment 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 Investment Manager in its sole discretion if (A) the Investment Manager certifies to the Trustee and the Collateral Administrator that it believes that such S&P Rating determined by the Investment 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 Investment Manager in accordance with (A) does not exceed 5 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 Investment 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 Investment Manager acting on behalf of the Issuer) applies for renewal thereof in accordance with the Investment Management and Collateral Administration 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 Investment Management and Collateral Administration Agreement) on each twelve month anniversary thereafter,

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.

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 F Par Value Test, the Class A/B Interest Coverage Test, the Class C Interest Coverage Test, the Class D Interest Coverage Test and the Class E 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, the Class F Notes and the 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, the Class D Interest Coverage Test, the Class E Par Value Test, the Class E Interest Coverage Test and the Class F 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 Tests 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	130.36%
Class A/B Interest Coverage	120.00%
Class C Par Value	122.14%
Class C Interest Coverage	110.00%
Class D Par Value	114.77%
Class D Interest Coverage	105.00%
Class E Par Value	107.39%
Class E Interest Coverage	102.00%
Class F Par Value	104.16%

DESCRIPTION OF THE INVESTMENT MANAGEMENT AND COLLATERAL ADMINISTRATION AGREEMENT

Fees

As compensation for the performance of its investment management services under the Investment Management and Collateral Administration Agreement, the Investment Manager (and/or, at its direction, an Affiliate of the Investment Manager) will receive from the Issuer, in arrear on each Payment Date, an investment management fee equal to 0.15 per cent. per annum of the Aggregate Collateral Balance (exclusive of any applicable value added tax thereon) measured as of the beginning of the Due Period relating to the applicable Payment Date, which investment management fee will be payable senior to the Notes, but subordinated to certain fees and expenses of the Issuer (such fee, the "**Senior Investment Management Fee**").

The Investment Management and Collateral Administration Agreement also provides that the Investment Manager (and/or, at its direction, an Affiliate of the Investment Manager) will receive from the Issuer, in arrear on each Payment Date, an investment management fee equal to 0.35 per cent. per annum of the Aggregate Collateral Balance (exclusive of any applicable value added tax thereon) measured as of the beginning of the Due Period relating to the applicable Payment Date, which investment management fee will be payable senior to the payments on the Subordinated Notes, but subordinated to the Rated Notes (such fee, the "**Subordinated Investment Management Fee**").

In addition to the Senior Investment Management Fee and the Subordinated Investment Management Fee, the Investment Manager (and/or, at its direction, an Affiliate of the Investment Manager) will receive a junior investment management fee equal to 0.10 per cent. per annum (accruing from the Issue Date, but for the avoidance of doubt, on a simple and not a compounding basis) of the Aggregate Collateral Balance (exclusive of any applicable value added tax thereon) measured as of the beginning of the Due Period relating to the applicable Payment Date, payable (in arrear) on each Payment Date as provided below and subject to the Priorities of Payment, if the Junior Investment Management Fee IRR Threshold has met or exceeded 12 per cent., in an amount (including any applicable value added tax thereon) equal to up to 20 per cent. of any Interest Proceeds, Principal Proceeds and Collateral Enhancement Obligation Proceeds that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the Priorities of Payment (such fee, the "**Junior Investment Management Fee**").

Each of the Senior Investment Management Fee, the Subordinated Investment Management Fee and the Junior Investment Management Fee shall be calculated semi-annually following the occurrence of a Frequency Switch Event and quarterly at all other times, in each case, based upon the actual number of days elapsed in the applicable Due Period divided by 360.

The Investment Manager may participate in creditors' committees with respect to the bankruptcy, restructuring or work-out of issuers of Collateral Debt Obligations. In such circumstances, the Investment Manager may take positions on behalf of itself or Related Entities that are adverse to the interests of the Issuer in the Collateral Debt Obligations. The Investment Manager will be entitled to receive any steering committee fees (except any fees received in connection with the extension of the maturity of a Defaulted Obligation or a reduction in the outstanding principal balance of a Defaulted Obligation) received in connection with the work-out or restructuring of any Defaulted Obligations or Collateral Debt Obligations.

If amounts distributable on any Payment Date in accordance with the Priorities of Payment are insufficient to pay the Senior Investment Management Fee in full, then a portion of the Senior Investment 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.

If amounts distributable on any Payment Date in accordance with the Priorities of Payment are insufficient to pay the Subordinated Investment Management Fee in full, then a portion of the Subordinated Investment 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.

Pursuant to the Priorities of Payment and the Investment Management and Collateral Administration Agreement, the Investment Manager may elect to (x) permanently waive (including pursuant to the Investment Management and Collateral Administration Agreement), (y) designate for reinvestment or (z) defer payment of all or a part of the Senior Investment Management Fee and (x) permanently waive (including pursuant to the

Investment Management and Collateral Administration Agreement) or (y) defer payment of all or a part of the Subordinated Investment Management Fee due to be paid to it on a Payment Date. Any due and unpaid Investment Management Fees, including Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts, shall not accrue any interest. Any amounts so permanently waived will cease to be due and payable as Senior Investment Management Fees or Subordinated Investment Management Fees and will not become due and payable as Senior Investment Management Fees or Subordinated Investment Management Fees at any time.

Cross Transactions

The Investment Manager and its Affiliates and/or any fund or account for which the Investment Manager or any Affiliate of the Investment Manager serves as investment adviser or investment manager may at certain times seek to purchase or sell investments from or to the Issuer as principal. Under the Investment Management and Collateral Administration Agreement, the Investment Manager, at its option and sole discretion, may effect principal transactions between such entities. In addition, the Investment Manager and its Affiliates will be authorised to engage in certain cross transactions, including "agency cross" transactions (i.e., transactions in which either the Investment Manager or 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 Investment Manager or any Affiliate serves as investment manager or adviser). The Issuer has agreed to permit cross transactions; provided that such consent can be revoked at any time by the Issuer and to the extent that the Issuer's consent with respect to any particular cross transaction is required by applicable law.

By purchasing a Note, a holder shall be deemed to have consented to the procedures described herein relating to cross transactions and principal transactions. The Investment Manager or its Affiliates may receive commissions from, and have a potentially conflicting division of loyalties and responsibilities regarding, both parties to any such principal transaction or cross transactions. See "*Risk Factors - Certain Conflicts of Interest - Certain Conflicts of Interest Involving the Investment Manager and its Affiliates*".

Standard of Care of the Investment Manager

Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager will agree with the Issuer that it will perform its obligations, duties and discretions under the Investment Management and Collateral Administration Agreement, with reasonable care, in a manner consistent with practices and procedures followed by reputable institutional managers of international standing relating to assets of the nature and character of the Portfolio assets and with respect to an entity intended not to be engaged in U.S. trade or business, and to the extent not inconsistent with the foregoing, the Investment Manager will follow its customary standards, policies and procedures in performing its duties under the Investment Management and Collateral Administration Agreement (the "**Standard of Care**").

The Investment Management and Collateral Administration Agreement contains provisions which require that the Investment Manager will cause any purchase of or entry into or sale, termination or other disposal of Portfolio assets or other "eligible asset" (as defined in Rule 3a-7) to be effected:

(a) on an arm's length basis; and

(b) in accordance with the Trading Requirements (so long as they are applicable).

Additionally, the Investment Management and Collateral Administration Agreement contains provisions which require that the Investment Manager shall not take any action on behalf of the Issuer which it knows would, due to a change in law subsequent to the date of the Investment Management and Collateral Administration Agreement, cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes.

Subject to the Standard of Care, the Investment Manager is required under the Investment Management and Collateral Administration Agreement to take reasonable care to ensure that no action is taken (save for any action which is expressly contemplated in the Investment Management and Collateral Administration Agreement) which would adversely affect in a material respect the Issuer, but the Investment Manager and/or its Affiliates shall not be prohibited in this respect from carrying on its (or their) ordinary business in good faith.

Responsibilities of the Investment Manager

The Investment Manager will have no responsibility under the Investment Management and Collateral Administration Agreement other than to render the services called for thereunder in good faith and, subject to the Standard of Care described above:

(a) shall not be responsible for any action it takes, on behalf of the Issuer, in compliance with the terms of the Investment Management and Collateral Administration Agreement;

(b) shall not be responsible for any action or inaction by the Issuer, the Collateral Administrator or the Trustee in following or declining to follow any direction, advice, recommendation or instruction of the Investment Manager;

(c) does not assume any fiduciary duty or responsibility with regard to the Issuer, the Trustee, any Noteholder or any other person;

(d) does not guarantee or otherwise assume any responsibility for the performance of the Notes, the Portfolio, any Collateral Debt Obligation or the performance by any third party of any contract entered into on behalf of the Issuer or, except as expressly set forth under the Investment Management and Collateral Administration Agreement, any obligation of any other party;

(e) shall not incur any liability in acting upon any publicly available information published or provided to it in relation to the Collateral in the absence of actual knowledge of the Investment Manager to the contrary, save for manifest error;

(f) shall, in the absence of manifest error, incur no liability to anyone in acting upon any signature, instrument, statement, notice, resolution, request, direction, consent, order, report, opinion, bond or other document, paper or data reasonably believed by it to be genuine and reasonably believed by it to be properly executed or signed or originated by the proper party or parties; and

(g) shall be entitled to rely, in the absence of manifest error, upon the accuracy and completeness of notices and other information supplied by the Collateral Administrator.

In situations where a conflict of interest arises between the Issuer and the Investment Manager, neither the Investment Manager nor any of its clients, partners, members or their employees and their Affiliates has any duty to act in a way that is favourable to the Issuer or to offer any particular investment opportunity to the Issuer.

The Investment Manager, as well as its directors, employees, officers, shareholders and agents, shall not be liable (whether directly or indirectly, in contract or in tort or otherwise) to the Issuer, the Trustee, the Noteholders or any other person for losses, claims, damages, judgments, interest on judgments, assessments, costs, fees, charges, amounts paid in settlement or other liabilities (collectively "**Liabilities**") incurred by the Issuer, the Trustee, the Noteholders or any other person that arise out of or in connection with the performance by the Investment Manager of its duties under the Investment Management and Collateral Administration Agreement provided that nothing shall relieve the Investment Manager from liability to such persons for Liabilities they may incur:

(a) by reason of acts or omissions constituting fraud, wilful misconduct or negligence of the Investment Manager under the Investment Management and Collateral Administration Agreement, the Trust Deed or any other Transaction Document to which it is a party;

(b) with respect to the information concerning the Investment Manager provided in writing to the Issuer by the Investment Manager expressly for inclusion in the Preliminary Prospectus and this Prospectus, such information containing any untrue statement of material fact or omitting to state a material fact necessary in order to make the statement therein, in 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 Investment Manager or any other material breach by the Investment Manager of the Investment Management and Collateral Administration Agreement.

Notwithstanding any provision in the Investment Management and Collateral Administration Agreement to the contrary, in no event shall the Investment Manager be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits) even if the Investment Manager has been advised of the likelihood of such loss or damage and regardless of the form of action.

Subject to the Standard of Care specified above, the Investment Manager (any Affiliates of the Investment Manager, and their shareholders, directors, officers, members, attorneys, advisors, agents and employees) may be entitled to indemnification by the Issuer in relation, *inter alia*, to the performance of the Investment Manager's obligations under the Investment Management and Collateral Administration Agreement, which will be payable in accordance with the Priorities of Payment.

Resignation of the Investment Manager

The Investment Manager may resign, subject to the appointment of a successor investment manager, with or without cause upon at least ninety calendar days' prior written notice to the Issuer, the Collateral Administrator, the Trustee, the Noteholders (in accordance with the Conditions), any Hedge Counterparty and each Rating Agency. The Investment Manager may resign its appointment upon shorter notice whether or not a successor investment manager has been appointed where there is a change in law or the application of any applicable law which makes it illegal for the Investment Manager to carry on its duties under the Investment Management and Collateral Administration Agreement. Any such resignation is without prejudice and subject to fulfilment of the Investment Manager's obligations in respect of the Retention Notes for so long as the Investment Manager is also the Retention Holder (unless the same are transferred in compliance with the provisions of the Risk Retention Letter).

Investment Manager Tax Event

The Investment Manager may be removed by the Issuer (regardless of whether or not a successor investment manager has been appointed) if it has not changed the location from which it provides its investment management services under the terms of the Investment Management and Collateral Administration Agreement or otherwise remedied or eliminated the occurrence of an Investment Manager Tax Event, in each case, within ninety calendar days of the date that the Investment Manager first becomes aware of an Investment Manager Tax Event (where "**Investment Manager Tax Event**" means that the Issuer has become subject either to any:

(a) United Kingdom tax liability; or

(b) U.S. federal income tax on a net income basis (or there being a substantial likelihood that the Issuer will become subject such U.S. federal income tax),

where the amount of such tax liability is in a sufficient amount such that the Class F Par Value Test would not be satisfied if calculated assuming payment by the Issuer of such tax liability) (in each case, provided that such ninety calendar day period shall be extended by a further ninety calendar days if the Investment Manager has notified the Issuer and the Trustee in writing before the end of the first ninety calendar day period that it expects to have changed the place from which it provides its investment management services under the terms of the Investment Management and Collateral Administration Agreement so as to remedy or that it is otherwise able to remedy or eliminate the circumstances giving rise to such Investment Manager Tax Event).

Removal for Cause

The Investment Manager may, subject to the appointment of a successor Investment Manager in accordance with the terms of the Investment Management and Collateral Administration Agreement, be removed for Cause upon at least thirty calendar days' prior written notice:

(a) by the Issuer at its discretion; and

(b) subject to such appointment and notice, by the Trustee (subject to being indemnified and/or secured and/or prefunded to its satisfaction), if so directed in writing by the holders of:

  (i) the Subordinated Notes, acting by way of Extraordinary Resolution; or

  (ii) the Controlling Class, acting by way of Extraordinary Resolution,

(for the avoidance of doubt, in each case excluding any IM Non-Voting Notes, IM Exchangeable Non-Voting Notes and Notes held by the Investment Manager or any Affiliate of the Investment Manager, any director, officer or employee of such entities or any fund or account for which the Investment Manager or its Affiliates exercises discretionary voting authority on behalf of such fund or account in respect of the Notes (an "**Investment Manager Related Person**")), provided that notice of such removal shall have been given to the holders of each Class of the Notes by the Issuer or the Trustee, as the case may be, in accordance with the Trust Deed.

For the purposes of determining "**Cause**" with respect to termination of the Investment Management and Collateral Administration Agreement such term shall mean any one of the following events:

(a) that the Investment Manager wilfully violated a material provision of the Investment Management and Collateral Administration Agreement or the Trust Deed applicable to it (unrelated to the economic performance of the Collateral Debt Obligations);

(b) that the Investment Manager breached in any respect any material provision of the Investment Management and Collateral Administration Agreement as is applicable to it (other than as specified in paragraph (a) above) which breach:

   (i) has a material adverse effect on the Issuer or the interests of the Noteholders of any Class; and

   (ii) if capable of being cured, is not cured within thirty calendar days of the Investment Manager becoming aware thereof or the Investment Manager's receipt of written notice of such breach from the Issuer or the Trustee;

(c) the failure of any representation, warranty, certification or statement made or delivered by the Investment Manager in or pursuant to the Investment Management and Collateral Administration 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 interests of the Noteholders of any Class; and

   (ii) is not remedied within thirty calendar days after the Investment Manager becoming aware of, or its receipt of written notice from the Issuer or the Trustee of, such failure;

(d) the Investment 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;

(e) the Investment 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, administrator, trustee, assignee, custodian, liquidator or sequestrator (or other similar official) of the Investment 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 Investment Manager without such authorisation, consent or application and either continue undismissed for sixty calendar 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 Investment Manager without such authorisation, application or consent and remain undismissed for sixty calendar 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 sixty calendar days;

(f) the occurrence of an Event of Default specified in paragraph (a)(i) or (a)(ii) of Condition 10 (*Events of Default*) (except in those circumstances where such Event of Default is solely attributable to the actions or omissions of a third party which the Investment Manager does not control); and

(g) the occurrence of an act by the Investment Manager (or any senior officer of the Investment Manager involved in its leveraged investment business) that constitutes fraud or criminal activity in the performance of the Investment Manager's obligations under the Investment Management and Collateral Administration Agreement or its other investment management activities, or the Investment Manager (or any senior officer of the Investment Manager involved in its leveraged investment business) 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.

Pursuant to the terms of the Investment Management and Collateral Administration Agreement, if any of the events specified in paragraphs (a) to (g) (inclusive) occurs, the Investment Manager shall, upon becoming aware of the same, be required to give prompt written notice thereof to the Issuer, the Trustee, the Rating Agencies, any Hedge Counterparty and the Noteholders (in accordance with the Conditions).

No Voting Rights

Notes held in the form of IM Non-Voting Notes or IM Exchangeable Non-Voting Notes shall not have any voting rights in respect of, and shall not be counted for the purposes of determining a quorum and the result of voting on any IM Removal Resolution or any IM Replacement Resolution (but shall carry a right to vote and be so counted on all other matters in respect of which the IM Voting Notes have a right to vote and be counted).

Any Notes held by or on behalf of the Investment Manager or any Investment Manager Related Person will have no voting rights with respect to any vote (or written direction or consent) in connection with:

(a) the removal of the Investment Manager; or

(b) the assignment or delegation by the Investment Manager of its obligations under the Investment Management and Collateral Administration Agreement,

and will be deemed not to be Outstanding in connection with any such vote, provided, however, that any Notes held by the Investment Manager and/or any Investment Manager Related Person will have voting rights (including in respect of written directions and consents) with respect to all other matters as to which Noteholders of IM Voting Notes are entitled to vote.

Delegation, Assignment or Transfer

The Investment Manager, without the prior consent of the Issuer, any Noteholder or the Trustee, may employ third parties, including its Affiliates, to render asset management services (including investment advice) and assistance in connection with its obligations under the Investment Management and Collateral Administration Agreement, provided that any such party has the regulatory capacity, as a matter of Dutch law, to provide such services to Dutch residents such as the Issuer. In such event, the Investment Manager shall not be relieved of any of its duties or liabilities under the Investment Management and Collateral Administration Agreement regardless of the performance of any services by third parties and shall be solely responsible for the fees and expenses payable to any such third party except to the extent such expenses are payable by the Issuer under the Investment Management and Collateral Administration Agreement.

The Investment Manager may not assign, delegate or transfer its material rights or material responsibilities under the Investment Management and Collateral Administration Agreement without the written consent of:

(a) the Issuer;

(b) either:

  (i) the holders of the Rated Notes, acting by Ordinary Resolution, voting together as a single class; or

  (ii) the holders of the Controlling Class acting by Ordinary Resolution; and

(c) the holders of the Subordinated Notes acting by Ordinary Resolution,

in each case excluding any IM Non-Voting Notes, IM Exchangeable Non-Voting Notes and Notes held by the Investment Manager or any Investment Manager Related Persons and subject to receipt by the Issuer of a Rating Agency Confirmation with respect to such assignment, transfer or delegation and provided that such assignee, transferee or delegate has the Dutch regulatory capacity to provide the services provided under the Investment Management and Collateral Administration Agreement to Dutch residents such as the Issuer provided further that, to the extent permitted by the Investment Management and Collateral Administration Agreement, such consent and Rating Agency Confirmation shall not be required in the case of any assignment to a Permitted Assignee (as defined below); provided further that, if such transferee, assignee or delegate is to be the relevant retention party for the purposes of the Retention Requirements, the appointment of such transferee, assignee or delegate is permitted under and contemplated by the Risk Retention Letter, permitted under the Retention Requirements and would not cause the transactions described in this Prospectus to cease to be compliant with the Retention Requirements. A "**Permitted Assignee**", for the purposes of the Investment Management and Collateral Administration Agreement, means an Affiliate of the Investment Manager that certifies in writing (upon which certification the Trustee may rely absolutely) to the Trustee and the Issuer that:

(a) it is legally qualified and has the Dutch regulatory capacity to act as investment manager under the Investment Management and Collateral Administration Agreement;

(b) it employs (directly or indirectly) the principal personnel performing the duties required under the Investment Management and Collateral Administration Agreement (or persons of similar expertise) prior to such assignment;

(c) the appointment of it will not cause either of the Issuer or the Collateral to become required to register under the provisions of the Investment Company Act;

(d) the appointment and conduct of it will not cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation, be engaged in a trade or business in the United States for U.S. federal income tax purposes, result in additional value added or similar tax or cause any other material adverse tax becoming payable by the Issuer (whether to a tax authority or any counterparty); and

(e) if the Retention Notes are to be transferred to an Affiliate which is part of the same consolidated accounting group of the Investment Manager, the transfer of the Retention Notes to such entity is permitted in accordance with the Retention Requirements and would not cause the transactions described in this Prospectus to cease to be compliant with the Retention Requirements.

The Issuer may not assign its rights under the Investment Management and Collateral Administration Agreement without the prior written consent of the Investment Manager, the Trustee, the holders of each Class of Notes acting by Ordinary Resolution, each voting as a separate class, and subject to Rating Agency Confirmation and to such transferee or delegate having the requisite Dutch regulatory capacity, except in the case of an assignment by the Issuer: (a) to an entity that is a successor to the Issuer permitted under the Trust Deed; or (b) to the Trustee.

Appointment of Successor

Upon any removal or resignation of the Investment Manager (except in the circumstances where it has become illegal for the Investment Manager to carry on its duties under the Investment Management and Collateral Administration Agreement and except as provided for under an Investment Manager Tax Event as described above), the Investment Manager will continue to act in such capacity until a successor investment manager has been appointed in accordance with the terms of the Investment Management and Collateral Administration Agreement. The successor investment manager will be selected by the Issuer subject to: (a) the approval of the holders of the Subordinated Notes acting by Ordinary Resolution; (b) the successor investment manager

demonstrating an ability to professionally and competently perform duties similar to those imposed upon the Investment Manager pursuant to the Investment Management and Collateral Administration Agreement and has a substantially similar (or better) level of experience; (c) for so long as the Rated Notes are outstanding, the holders of the Controlling Class do not object within thirty calendar days after the giving of notice thereof in accordance with the Conditions of such proposed selection by the Issuer; (d) the appointment of which will not cause either of the Issuer becoming, or require the pool of Collateral to be required to be registered under the Investment Company Act; (e) receipt of Rating Agency Confirmation; (f) if it is to be the relevant retention party for the purposes of the Retention Requirements, the transfer of the Retention Notes to such entity is permitted under and contemplated by the Risk Retention Letter, permitted under the Retention Requirements and would not cause the transactions described in this Prospectus to cease to be compliant with the Retention Requirements; and (g) such successor investment manager being legally qualified and having the requisite Dutch regulatory capacity to act as investment manager. If the holders of Subordinated Notes do not approve the successor investment manager pursuant to paragraph (a) above, or the Controlling Class object to the Issuer's selection of successor investment manager pursuant to paragraph (b) above, then the Issuer may propose an alternative successor investment manager. If no successor investment manager has been appointed within one hundred and twenty calendar days or if the Investment Manager is required to resign as a result of illegality or due to an Investment Manager Tax Event, the Issuer (subject to the approval of the Controlling Class, acting by Ordinary Resolution) shall appoint a successor investment manager which satisfies the criteria specified in the Investment Management and Collateral Administration Agreement subject to receipt of (i) Rating Agency Confirmation and (ii) provided that no Retention Event has occurred and is continuing, the approval in writing of the Retention Holder.

Upon notice of removal or resignation of the Investment Manager

If the Investment Manager has received notice that it will be removed or has given notice of its resignation, until a successor investment manager has been appointed and has accepted such appointment in accordance with the terms specified in the Investment Management and Collateral Administration Agreement, the Investment Manager:

(a) will not acquire on behalf of the Issuer any Collateral Debt Obligations (except for trades initiated prior to such removal, termination or resignation); and

(b) will only execute sales of Margin Stock, Credit Impaired Obligations and Defaulted Obligations (in addition to any trades initiated prior to such removal, termination or resignation).

Any such resignation or removal of the Investment Manager or termination of the Investment Management and Collateral Administration Agreement shall be without prejudice and subject to fulfilment of the Investment Manager's obligations in respect of the Retention Notes for so long as the Investment Manager is also the Retention Holder (unless the same have been validly transferred in accordance with the terms of the Risk Retention Letter).

Termination and Resignation of Appointment of the Collateral Administrator

Pursuant to the terms of the Investment Management and Collateral Administration Agreement, the Collateral Administrator may be removed: (a) without cause at any time upon at least ninety calendar days' prior written notice by the Issuer at its discretion or the Trustee if so directed by the holders of the Subordinated Notes acting by way of Extraordinary Resolution and subject to the Trustee being secured and/or indemnified and/or prefunded to its satisfaction; or (b) with cause upon at least ten calendar days' prior written notice by the Issuer at its discretion or the Trustee if so directed by the holders of the 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 forty-five calendar days' prior written notice and with cause upon at least ten calendar days' prior written notice to the Issuer, the Trustee and the Investment 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 Investment Management and Collateral Administration Agreement.

HEDGING ARRANGEMENTS

The following is a summary of the principal terms of the hedging arrangements to be entered into by the Issuer on or about the Issue Date and/or thereafter. The following is a summary only and should not be relied upon as an exhaustive description of the detailed provisions of such documents (copies of which are available from the registered office of the Issuer). The following is a general description of the Hedge Agreements. Any Hedge Agreement may include terms which vary from the descriptions set out below.

Trading Requirements

The Issuer will not acquire (whether by purchase or substitution) or dispose of a Collateral Debt Obligation or an Eligible Investment unless the following conditions (the "**Trading Requirements**") are satisfied in connection with such acquisition or disposition:

(a) a Collateral Debt Obligation or Eligible Investment, if being acquired by the Issuer, is an "**eligible asset**" under Rule 3a-7 of the Investment Company Act;

(b) such Collateral Debt Obligation, Exchanged Equity Security or Eligible Investment is being acquired or disposed of in accordance with the terms and conditions set forth in the Trust Deed and the Investment Management and Collateral Administration Agreement;

(c) the acquisition or disposition of such Collateral Debt Obligation, Exchanged Equity Security or Eligible Investment does not result in a reduction or withdrawal of the then-current rating issued by any Rating Agency on any Class of Notes (other than the Subordinated Notes) then outstanding; and

(d) such Collateral Debt Obligation, Exchanged Equity Security or Eligible Investment is not being acquired or disposed of for the primary purpose of recognising gains or decreasing losses resulting from market value changes,

provided that at any time, the Issuer (or the Investment Manager on its behalf) may elect (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "**covered fund**" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption provided by Section 3(c)(7) of the Investment Company Act by written notice thereof to the Trustee in which case, at all times thereafter, there will be no Trading Requirements.

Hedge Agreements

With respect to a Hedge Agreement, subject to: (a) either (i) such Hedge Agreement complying with the Hedge Agreement Eligibility Criteria at the time of entry into such Hedge Agreement; or (ii) the Issuer obtaining legal advice in respect of such Hedge Agreement from reputable international legal counsel knowledgeable in such matters to the effect that the entry into such arrangements shall not in respect of a CPO, and should not in respect of a CTA, cause the Issuer, its directors or officers, the Investment Manager or its Affiliates to register with the CFTC and/or the United States National Futures Association with respect to the Issuer as a CPO and/or a CTA; and (b) unless and until the Issuer elects (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "**covered fund**" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act, either (i) such Hedge Agreement complying with the Trading Requirements and the Hedge Agreement Eligibility Criteria; or (ii) the Issuer obtaining legal advice from reputable international legal counsel knowledgeable in such matters that the acquisition of or entry into such Hedge Agreement will not eliminate the Issuer's ability to rely on Rule 3a-7 under the Investment Company Act, 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/or 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 such arrangements are documented by way of a Form Approved Hedge Agreement.

Form Approved Hedge Agreements

If a Rating Agency announces that the rating criteria applicable to Hedge Agreements has been modified such that a Hedge Agreement no longer constitutes a Form Approved Hedge Agreement then the Issuer or the Investment Manager on its behalf shall seek approval of a new form from the relevant Rating Agencies.

Currency Hedging Arrangements

Asset Swap Agreements

The Issuer (or the Investment Manager on behalf of the Issuer) may purchase Non-Euro Obligations provided that the Investment Manager, on behalf of the Issuer, enters, as soon as practicable following entry into a binding commitment to purchase such Collateral Debt Obligation and no later than the settlement date of the acquisition of the relevant Collateral Debt Obligation, into an Asset Swap Transaction which shall relate to the purchased Collateral Debt Obligation (to become effective on or before the settlement date of such Collateral Debt Obligation) with an Asset Swap Counterparty (which satisfies the applicable Rating Requirement and has regulatory capacity, as a matter of Dutch law, to enter into derivative transactions with Dutch residents) pursuant to the terms of which the initial principal exchange is made to fund the Issuer's acquisition of the related Non-Euro Obligation and the final and, if applicable, interim principal exchanges are made to convert the principal proceeds received in respect thereof at maturity and prior to maturity, respectively and coupon exchanges are made at the exchange rate specified for such transaction.

Transactions entered into under an Asset Swap Agreement are documented in confirmations to such Asset Swap Agreement. Each transaction will be evidenced by a confirmation entered into pursuant to an Asset Swap Agreement (each an "**Asset Swap Transaction**"). An Asset Swap Transaction, if entered into, will be:

(a) used to hedge the currency (and if applicable, interest rate) mismatch between the Notes and any Non-Euro Obligations and for no other purpose; and

(b) other than in the case of a Form Approved Asset Swap, subject to receipt of Rating Agency Confirmation in respect thereof.

Further, each Asset Swap Counterparty will be required to satisfy the applicable Rating Requirement (taking into account any guarantor thereof) and must have the Dutch regulatory capacity to enter into derivatives transactions with Dutch residents. No Asset Swap Transaction may be entered into if, at the time of entry into such transaction, there is a withholding or deduction for or on account of any tax required in respect of any payments by either party to such Asset Swap Transaction. The Investment Manager shall be required to terminate any Asset Swap Transaction at the time it sells an Asset Swap Obligation. Upon the sale of an Asset Swap Obligation, the Asset Swap Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms, resulting in either (a) the Asset Swap Counterparty receiving the proceeds of the sale of the Asset Swap Obligation (or the par value thereof) from the Issuer (which shall be funded outside the Priorities of Payment from the Asset Swap Account) and returning the Sale Proceeds (in accordance with paragraph (b) of the definition thereof) to the Issuer or (b) the Issuer retaining the proceeds of sale of the Asset Swap Obligation (which shall be converted into Euro and paid into the Principal Account in accordance with the Conditions of the Notes) net of any payments due to the Asset Swap Counterparty in connection with the termination of the Asset Swap Transaction in such circumstances (which the Issuer shall pay to the Asset Swap Counterparty on the date such payment is due in accordance with the applicable Hedge Agreement). Furthermore, upon the insolvency of the Issuer and/or the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*), the Asset Swap Counterparty may, but shall not be obliged to, early terminate any Asset Swap Transaction, in which case any Asset Swap Termination Payment would be paid in accordance with the Post-Acceleration Priority of Payments (other than with respect to any Counterparty Downgrade Collateral which is required to be returned to an Asset Swap Counterparty outside the Priorities of Payment in accordance with the Asset Swap Agreement).

If, following the insolvency of the Issuer and/or the acceleration of the Notes, the Asset Swap Counterparty elects not to early terminate any Asset Swap Transaction, such Asset Swap Transaction shall terminate in accordance with its terms upon the sale of the relevant Non-Euro Obligation, resulting in the Asset Swap Counterparty receiving the proceeds of the sale of the Non-Euro Obligation from the Issuer and returning the Sale Proceeds (in accordance with paragraph (b) of the definition thereof, for the avoidance of doubt, net of any

termination cost in respect of the early termination of the Asset Swap Transaction, as determined and incurred by the Asset Swap Counterparty in accordance with the Asset Swap Agreement) to the Issuer.

Replacement Asset Swap Transactions

If any Asset Swap Transaction terminates in whole at any time in circumstances in which the applicable Asset Swap Counterparty is the "**Defaulting Party**" or sole "**Affected Party**" (each as defined in the applicable Asset Swap Agreement) the Issuer, or the Investment Manager on its behalf, shall use commercially reasonable efforts to enter into a Replacement Asset Swap Transaction within thirty calendar days of the termination thereof with a counterparty which satisfies, among other things, the applicable Rating Requirement and which has the regulatory capacity, as a matter of Dutch law, to enter into derivatives transactions with Dutch residents.

If any Asset Swap Transaction terminates in the circumstances referred to above, any Asset Swap Termination Receipt will be paid into the relevant Hedge Termination Account and shall be applied towards the costs of entry into a Replacement Asset Swap Transaction, together with, where necessary, Interest Proceeds and/or Principal Proceeds that are available for such purpose on any Payment Date pursuant to the Priorities of Payment, subject to receipt of Rating Agency Confirmation, save:

(a) where termination of the Asset Swap Transaction occurs on a Redemption Date pursuant to Conditions 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

(b) to the extent that such Asset Swap Termination Receipt is not required for application towards any Asset Swap Replacement Payment,

in which event such Asset Swap Termination Receipt shall be paid into the Principal Account and shall constitute Unscheduled Principal Proceeds.

If the Issuer receives any Asset Swap Replacement Receipt upon entry into a Replacement Asset Swap Transaction, such amount shall be paid into the relevant Hedge Termination Account and applied directly by the Collateral Administrator acting on the instructions of the Investment Manager (acting on behalf of the Issuer) in payment of any Asset Swap Termination Payment payable upon termination of the Asset Swap Transaction being so replaced. To the extent not fully paid out of Asset Swap Replacement Receipts, any Asset Swap Termination Payment payable by the Issuer shall be paid to the applicable Asset Swap Counterparty on the next Payment Date in accordance with the Priorities of Payment. To the extent not required for making any such Asset Swap Termination Payment, such Asset Swap Replacement Receipts shall be paid into the Principal Account and shall constitute Unscheduled Principal Proceeds.

The Issuer (or the Investment Manager on its behalf) shall be required to terminate any Replacement Asset Swap Transaction at the time the Investment Manager sells an Asset Swap Obligation. Upon the sale of an Asset Swap Obligation, the Replacement Asset Swap Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms.

Subject to paragraph (a) above, if a Replacement Asset Swap Transaction cannot be entered within thirty calendar days of the termination of the Asset Swap Transaction, the Investment Manager, acting on behalf of the Issuer, shall use all reasonable endeavours to sell the applicable Non-Euro Obligation, pay the proceeds thereof to the applicable Asset Swap Counterparty, to the extent required pursuant to the terms of such Asset Swap Transaction and/or to the extent not so required, shall direct the Collateral Administrator to convert all of such proceeds into Euro at the Applicable Exchange Rate and shall procure that such amounts are paid into the Principal Account. If such proceeds are insufficient to pay any Asset Swap Termination Payments in full, such amount, including any Defaulted Hedge Termination Payment, shall be paid out of Interest Proceeds and/or Principal Proceeds on the next following Payment Date in accordance with the Priorities of Payment.

Interest Rate Hedging Arrangements

Interest Rate Hedge Agreements

The Issuer (or the Investment Manager on its behalf) may enter into any additional Interest Rate Hedge Transactions from time to time in order to hedge any interest rate mismatch between the Rated Notes and the

Collateral Debt Obligations and for no other purpose, subject to the receipt of Rating Agency Confirmation in respect thereof and provided that the Interest Rate Hedge Counterparty satisfies the applicable Rating Requirement and has the regulatory capacity, as a matter of Dutch law, to enter into derivatives transactions with Dutch residents. The Issuer (or the Investment Manager on its behalf) shall be required to terminate any Interest Rate Hedge Transaction at the time the interest rate mismatch is resolved or it sells the related Collateral Debt Obligations. At such time, the Interest Rate Hedge Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms.

Replacement Interest Rate Hedge Agreements

If an Interest Rate Hedge Transaction terminates in whole at any time in circumstances which the applicable Interest Rate Hedge Counterparty is the "**Defaulting Party**" or sole "**Affected Party**" (each such term as defined in the applicable Interest Rate Hedge Agreement), the Issuer, or the Investment Manager on its behalf, shall use commercially reasonable efforts to enter into a Replacement Interest Rate Hedge Transaction within thirty calendar days of termination thereof with an Interest Rate Hedge Counterparty which satisfies the applicable Ratings Requirement and which has the regulatory capacity, as a matter of Dutch law, to enter into derivatives transactions with Dutch residents. The Issuer (or the Investment Manager on its behalf) shall be required to terminate any Replacement Interest Rate Hedge Transaction at the time the interest rate mismatch is resolved or it sells the related Collateral Debt Obligation. At such time, the Replacement Interest Rate Hedge Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms.

Hedge Agreement Eligibility Criteria

The Investment Manager shall only cause the Issuer to enter into a Hedge Agreement that: (a) either (i) complies with the Hedge Agreement Eligibility Criteria at the time of entry into such Hedge Agreement; or (ii) in respect of which, the Issuer obtains legal advice of reputable international legal counsel knowledgeable in such matters to the effect that the entry into such arrangements shall not in respect of a CPO, and should not in respect of a CTA, require any of the Issuer, its directors or officers or the Investment Manager or its Affiliates to register with the CFTC and/or the United States National Futures Association with respect to the Issuer as a CPO and/or a CTA; and (b) unless and until the Issuer elects (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "**covered fund**" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act, either (i) complies with the Trading Requirements and the Hedge Agreement Eligibility Criteria; or (ii) in respect of which the Issuer obtains legal advice from reputable international legal counsel knowledgeable in such matters that the acquisition of or entry into such Hedge Agreement will not eliminate the Issuer's ability to rely on Rule 3a-7 under the Investment Company Act.

The "**Hedge Agreement Eligibility Criteria**" shall be contained in the Investment Management and Collateral Administration Agreement.

If a responsible representative of the Investment Manager with knowledge of the Portfolio has actual knowledge of any change in law or regulation that would lead him or her to reasonably question the viability of the Hedge Agreement Eligibility Criteria mentioned above, the Investment Manager shall cause the Issuer to seek a bring-down opinion in respect of such Hedge Agreement Eligibility Criteria opinion delivered on the Issue Date (or, if a prior bring-down opinion or modification opinion has been issued, then a bring-down of such opinion or equivalent opinion, as the case may be). If the Investment Manager cannot obtain such a bring-down or equivalent opinion on the basis of the Hedge Agreement Eligibility Criteria it shall not cause the Issuer to enter into any further Hedge Agreements unless in respect of any such further Hedge Agreement it obtains legal advice of reputable international legal counsel knowledgeable in such matters that such Hedge Agreement shall not in respect of a CPO, and should not in respect of a CTA, cause the Issuer, its directors or officers or the Investment Manager or its Affiliates to be required to register with the CFTC and/or the United States National Futures Association with respect to the Issuer as a CPO and/or a CTA.

Notwithstanding anything in the Investment Management and Collateral Administration Agreement or the Trust Deed to the contrary, the Investment Manager may unilaterally elect to modify the Hedge Agreement Eligibility Criteria without the consent of any other party so long as it causes the Issuer to obtain an opinion from reputable international legal counsel that Hedge Agreements entered into in compliance with such modified Hedge Agreement Eligibility Criteria shall not in respect of a CPO, and should not in respect of a CTA, cause the

Issuer, its directors or officers or the Investment Manager or its Affiliates to be required to register with the CFTC and/or the United States National Futures Association with respect to the Issuer as a CPO and/or a CTA.

In addition, the Investment Manager shall only permit the Issuer to enter into a Hedge Agreement that complies with the requirements of the Hedging Condition. The Issuer will obtain Rating Agency Confirmation prior to entering into any hedging arrangements after the Issue Date unless it is in a form which the Issuer (or the Investment Manager acting on behalf of the Issuer) has previously received Rating Agency Confirmation in respect thereof. Any Hedge Agreement being entered into shall be incidental to the purchase of a specified Collateral Debt Obligation and entered into at the time of such purchase, unless such Hedge Agreement is a Replacement Asset Swap Agreement or a Replacement Interest Rate Hedge Agreement, in which case it shall be entered into as described above in "**Replacement Asset Swap Agreements**" and "**Replacement Interest Rate Hedge Agreement**", respectively. All Hedge Agreements shall be terminated in accordance with their terms no later than the sale or disposal of the related Collateral Debt Obligation.

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 agreed by the Issuer and the applicable Hedge Counterparty and subject to receipt of Rating Agency Confirmation in respect thereof.

Gross up

Under each Hedge Agreement neither the Issuer nor the applicable Hedge Counterparty will be obliged to gross up any payments thereunder if there is 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**" for the purposes of the relevant Hedge Agreement. If a Tax Event (as defined in such Hedge Agreement) occurs, 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) arrange for a transfer of all of its interests and obligations under the Hedge Agreement and all Transactions (as defined in the Hedge Agreement) 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 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 Investment Manager on its behalf) in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*). The Issuer will have the benefit of non-petition language similar to the language set out in Condition 4(c) (*Limited Recourse and Non-Petition*).

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 earlier to occur of certain 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 any 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 to perform its obligations under, the applicable Hedge Agreement;

(d) the principal due in respect of the Notes is declared to be due and payable in accordance with the terms of the Trust Deed, and the Trustee has started to sell all or part of the Collateral as a consequence thereof;

(e) the Notes are redeemed in whole prior to the Maturity Date (otherwise than as a result of an Event of Default thereunder);

(f) regulatory changes occur which have a material adverse effect on a Hedge Counterparty; and

(g) material changes are made to the Transaction Documents without the consent of a Hedge Counterparty which could have a material adverse effect on the Hedge Counterparty.

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.

Asset Swap Agreements may also contain provisions which allow an Asset Swap Transaction to terminate upon the occurrence of certain credit events related to the underlying Non-Euro Obligation. These credit events could potentially be triggered in circumstances where the related Collateral Debt Obligation would not constitute a Defaulted Obligation. In such instances the related Asset Swap Transaction would terminate and the Issuer (or the Investment Manager acting on its behalf) may need to sell the related Non-Euro Obligation unless a new Asset Swap Transaction can be entered into.

Rating Downgrade Requirements

Each Hedge Agreement shall contain the terms and provisions required by the Rating Agencies for the type of derivative transaction represented by the Hedge Transactions if the Hedge Counterparty or, as relevant, its guarantor, is subject to a voting withdrawal or downgrade by a Rating Agency 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 Investment 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 Agreement 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 and provided that such institution has the regulatory capacity to enter into derivatives transactions with Dutch residents.

Any of the requirements set out herein may be modified in order to meet any new or additional requirements of any Rating Agency 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.

Reporting of Specified Hedging Data

The Investment Manager, on behalf of the Issuer, may from time to time enter into agreements (each a "**Reporting Delegation Agreement**") for the delegation of certain derivative reporting obligations to one or more Hedge Counterparties or third parties (each, in such capacity, a "**Reporting Delegate**").

DESCRIPTION OF THE REPORTS

Terms used and not otherwise defined herein or in this Prospectus as specifically referenced herein shall have the meaning given to them in Condition 1 (*Definitions*) of the Terms and Conditions of the Notes.

Monthly Reports

The Collateral Administrator, not later than the last London Business Day of each month (save in respect of any month for which a Payment Date Report has been prepared) commencing in the month following the month of the Effective Date, on behalf, and at the expense, of the Issuer and in consultation with the Investment Manager, shall compile and make available to the Issuer, the Trustee, the Investment Manager, the Initial Purchaser, any Hedge Counterparty, each Rating Agency and any Noteholder (upon written request therefor in the form set out in the Trust Deed certifying that it is such a holder), by means of a secured website, a monthly report (the "**Monthly Report**"), which shall be accessible by way of a unique password and which shall contain, without limitation, the information set out below with respect to the Portfolio (and shall include a version in excel format), determined by the Collateral Administrator on the eighth Business Day prior to the 25th day of each month in consultation with the Investment Manager.

"**London Business Day**" means a day on which commercial banks and foreign exchange markets settle payments in London (other than a Saturday or a Sunday).

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) whether a Restricted Trading Period applies;

(e) 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 if any), facility, the designated maturity in respect of each interest rate, the Stated Maturity, Obligor, the Domicile of the Obligor, location of assets, location of security, S&P Recovery Rate, S&P Rating, Moody's Rating, Moody's Default Probability Rating and any other public rating (other than any confidential credit estimate), its S&P Industry Classification and Moody's industrial classification group, Moody's Recovery Rate and S&P Recovery Rate;

(f) 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 Obligation or High Yield Bond, Fixed Rate Collateral Debt Obligation, Corporate Rescue Loan, PIK Security, Step-Up Coupon Security, Step-Down Coupon Security, Revolving Obligation, Delayed Drawdown Collateral Debt Obligation, Bridge Loan, Discount Obligation, Cov-Lite Loan or a Swapped Non-Discount Obligation, First-Lien Last-Out Loan and whether such Collateral Debt Obligation would have been a Cov-Lite Loan but for the proviso in the definition of "**Cov-Lite Loan**";

(g) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Enhancement Obligation and Exchanged Equity Security (to the extent applicable), its Principal Balance, face amount, annual interest rate, 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;

(h) 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 or Exchanged Equity Securities that were released for sale or other disposition (specifying the reason for such sale or other disposition and the section in the Investment Management and Collateral Administration 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 Investment 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 Investment Manager;

(i) 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 Investment Manager;

(j) subject to any confidentiality obligations binding on the Issuer, (i) the identity of each Collateral Debt Obligation which became a Defaulted Obligation or Deferring Security or in respect of which an Exchanged Equity Security has been received since the date of determination of the last Monthly Report; (ii) the identity of all Collateral Debt Obligations which are Defaulted Obligations or Deferring Securities or in respect of which Exchanged Equity Securities have been received; and (iii) the identity and Principal Balance of each S&P CCC Obligation and Moody's Caa Obligation;

(k) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Debt Obligation which became a Restructured Obligation and its Obligor, as well as, where applicable, the name of the Obligor prior to the restructuring and the Obligor's new name after the Restructuring Date;

(l) 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 Investment Manager has actual knowledge;

(m) the approximate Market Value of, respectively any Collateral Debt Obligations and Collateral Enhancement Obligations for which the Market Value needs to be determined in accordance with the Transaction Documents and the CCC/Caa Excess;

(n) in respect of each Collateral Debt Obligation, its S&P Rating and Moody's Rating (other than any confidential credit estimate) as at (i) the date of acquisition; (ii) the date of the previous Monthly Report; and (iii) the date of the current Monthly Report;

(o) the Aggregate Principal Balance of Collateral Debt Obligations comprising Participations in respect of which the Selling Institutions are not the lenders of record;

(p) confirmation whether the Collateral Administrator has been provided with notice by the Issuer or the Investment Manager (on behalf of the Issuer) of whether the Trading Requirements have ceased to apply as a result of the Issuer or the Investment Manager (on behalf of the Issuer) having elected by notice to the Trustee and the Noteholders to rely solely on the exemption provided by Section 3(c)(7) of the Investment Company Act and no longer rely on the exemption from the Investment Company Act provided by Rule 3a-7; and

(q) a commentary provided by the Investment Manager with respect to the Portfolio.

Accounts

(a) the Balances standing to the credit of each of the Accounts;

(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; and

(c) the rating by S&P and Moody's in respect of each Eligible Investment.

Hedge Transactions

(a) the outstanding notional amount (as defined therein) of each Hedge Transaction, distinguishing between:

  (i) Asset Swap Transactions (including the Applicable Exchange Rate); and

  (ii) Interest Rate Hedge Transactions (including the interest spread 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 the Account Bank and whether such Hedge Counterparty and Account Bank satisfies the Rating Requirements, as well as the identity of the Hedge Counterparty; and

(d) the maturity date, the strike price and the underlying currency notional amount of each currency option, the upfront premium paid or payable by the Issuer thereunder and, in relation to each currency option exercised, the date of exercise, the spot foreign exchange rate at the time of exercise, the notional amount of the optional exercised, the aggregate notional amount of the option which remains unexercised and the aggregate premium received.

Frequency Switch Event

Whether a Frequency Switch Event has occurred and the date of such Frequency Switch Event.

Coverage Tests and Collateral Quality 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, the Class E Par Value Test, the Class F Par Value Test is satisfied and details of the relevant Par Value Ratios;

(b) a statement as to whether each of the Class A/B Interest Coverage Test, the Class C Interest Coverage Test, the Class D Interest Coverage Test and the Class E Interest Coverage Test is satisfied and details of the relevant Interest Coverage Ratios;

(c) during the Reinvestment Period, a statement as to whether the Reinvestment Overcollateralisation Test is satisfied;

(d) a statement as to whether each of the Collateral Quality Tests is satisfied and the pass levels thereof, together with details of the relevant S&P Weighted Average Recovery Rate, the relevant S&P Matrix Spread and Coupon, the Weighted Average Spread and the Weighted Average Fixed Rate Coupon;

(e) a statement identifying any Collateral Debt Obligation in respect of which the Investment Manager has made its own determination of "**Market Value**" (pursuant to the definition thereof) for the purposes of any of the Coverage Tests;

(f) so long as any Notes rated by Moody's are Outstanding, the Adjusted Weighted Average Moody's Rating Factor and a statement as to whether the Moody's Maximum Weighted Average Rating Factor Test is satisfied;

(g) so long as any Notes rated by Moody's are Outstanding:

  (i) the Weighted Average Moody's Recovery Rate and a statement as to whether the Moody's Minimum Weighted Average Recovery Rate Test is satisfied; and

(ii) subject to any confidentiality undertakings binding on the Issuer, with respect to each Collateral Debt Obligation:

(A) the name of the Obligor;

(B) the Moody's Default Probability Rating (if public);

(C) the name of the Collateral Debt Obligation as documented in its Underlying Instrument (or, where it is not practicable to provide this information, such information shall, upon request from Moody's, be provided to Moody's in the event that Moody's is unable to map such name to its database);

(D) the seniority of the Collateral Debt Obligation;

(E) the Moody's Rating of the Collateral Debt Obligation (if public); and

(F) the Moody's assigned recovery rate (if the relevant Collateral Debt Obligation has a Moody's Rating which is public); and

(h) so long as any Notes rated by Moody's are Outstanding, the Diversity Score and a statement as to whether the Moody's Minimum Diversity Test is satisfied.

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;

(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:

(i) each individual third party exposure limit and percentage of the Aggregate Principal Balance corresponding thereto; and

(ii) whether the limits specified in the Bivariate Risk Table are met by reference to the Moody's Ratings and S&P Ratings of Selling Institutions and, if such limits are not met, a statement as to the nature of the non-compliance.

Risk Retention

Confirmation that the Collateral Administrator has received written confirmation from the Investment Manager (including in circumstances where the Investment Manager has transferred its holding in the Retention Notes to an Affiliate pursuant to the Risk Retention Letter), that:

(a) it continues to hold, not less than 5 per cent. of the outstanding nominal value of each Class of Notes (the "**Retention**"); and

(b) neither it nor its Affiliates have transferred the Retention Notes nor has it 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 Risk Retention Letter.

IM Voting Notes / IM Non-Voting Notes

For so long as any Class A Notes are Outstanding:

(a) the aggregate Principal Amount Outstanding of all Class A IM Voting Notes;

(b) the aggregate Principal Amount Outstanding of all Class A IM Non-Voting Notes; and

(c) the aggregate Principal Amount Outstanding of all Class A IM Exchangeable Non-Voting Notes.

For so long as any Class B Notes are Outstanding:

(a) the aggregate Principal Amount Outstanding of all Class B IM Voting Notes;

(b) the aggregate Principal Amount Outstanding of all Class B IM Non-Voting Notes; and

(c) the aggregate Principal Amount Outstanding of all Class B IM Exchangeable Non-Voting Notes.

For so long as any Class C Notes are Outstanding:

(a) the aggregate Principal Amount Outstanding of all Class C IM Voting Notes;

(b) the aggregate Principal Amount Outstanding of all Class C IM Non-Voting Notes; and

(c) the aggregate Principal Amount Outstanding of all Class C IM Exchangeable Non-Voting Notes.

For so long as any Class D Notes are Outstanding:

(a) the aggregate Principal Amount Outstanding of all Class D IM Voting Notes;

(b) the aggregate Principal Amount Outstanding of all Class D IM Non-Voting Notes; and

(c) the aggregate Principal Amount Outstanding of all Class D IM Exchangeable Non-Voting Notes.

Payment Date Report

The Collateral Administrator, on behalf, and at the expense, of the Issuer and in consultation with the Investment Manager, shall render a report (the "**Payment Date Report**"), prepared and determined as of each Determination Date, and made available to the Investment Manager, the Issuer, the Trustee, the Initial Purchaser, any Hedge Counterparty, any Noteholder and each Rating Agency by means of a secured website and accessible by way of a unique password, not later than the Business Day preceding the related Payment Date. Upon receipt 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. The Payment Date Report shall contain the following information:

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 "*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;

(d) EURIBOR and the Designated Maturity for the related Due Period and the Floating Rate of Interest applicable to each Class of Rated Notes during the related Due Period; and

(e) whether a Frequency Switch Event has occurred and the date of such Frequency Switch Event.

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 Investment Management Fees and Administrative Expenses payable on the related Payment Date, in each case, on an itemised basis; and

(c) any Asset Swap Termination Payments, any Interest Rate Hedge Termination Payments and 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 "*Monthly Reports - Coverage Tests and Collateral Quality Tests*" above; and

(b) the information required pursuant to "*Monthly Reports - Portfolio Profile Tests*" above.

Hedge Transactions

The information required pursuant to "*Monthly Reports - Hedge Transactions*" above.

Risk Retention

The information required pursuant to "*Monthly Reports - Risk Retention*" above.

IM Voting Notes / IM Non-Voting Notes

The information required pursuant to "*Monthly Reports – IM Voting Notes / IM Non-Voting Notes*" 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 Initial Purchaser, the Issuer or the Investment 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 Dutch Central Bank and in respect of the preparation of its financial statements and tax returns.

Further, for so long as any of the Notes are Outstanding, the Monthly Report and the Payment Date Report will be available for inspection at the offices of, and copies thereof may be obtained free of charge upon request from, the Issuer.

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 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 tax 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.

ALL PROSPECTIVE INVESTORS SHOULD READ "*UNITED STATES FEDERAL INCOME TAXATION - INFORMATION REPORTING AND BACKUP WITHHOLDING TAX*" AND "*FATCA*" BELOW FOR A DISCUSSION OF POTENTIAL REPORTING OBLIGATIONS AND MATERIAL CONSEQUENCES OF FAILING TO COMPLY WITH SUCH OBLIGATIONS.

2. Netherlands Taxation

The comments below are of a general nature based on taxation law and practice in The Netherlands as at the date of this Prospectus and are subject to any changes therein, without prejudice to any amendment introduced at a later date and implemented with or without retroactive effect. The summary relates only to the position of persons who are absolute beneficial owners of the Notes and does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as holders that are subject to taxation in Bonaire, St. Eustatius and Saba or trusts or similar arrangements) may be subject to special rules. The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes and so should be treated with appropriate caution. In particular, it does not take into consideration any tax implications that may arise on a substitution of the Issuer. Prospective investors should consult their own professional advisors concerning the possible tax consequences of purchasing, holding and/or selling Notes and receiving payments of interest, principal and/or other amounts under the Notes under the applicable laws of their country of citizenship, residence or domicile.

Potential purchasers of Notes should note that, with respect to paragraph (b) below, the summary does not describe The Netherlands tax consequences for holders of Notes if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest or deemed substantial interest in the Issuer under The Netherlands Income Tax Act 2001 (Wet Inkomstenbelasting 2001). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his/her partner (as defined in The Netherlands Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5 per cent. or more of the total issued and outstanding share capital of that company or of 5 per cent. or more of the issued and outstanding share capital of a certain class of shares of that company; or (ii) holds rights to acquire, directly or indirectly, such interest; or (iii) holds certain profit sharing rights in that company that relate to 5 per cent. or more of the company's annual profits and/or 5 per cent. or more of the company's liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis.

Under the existing laws of The Netherlands:

(a) all payments of interest and principal by the Issuer under the Notes can be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld, or assessed by The Netherlands or any political subdivision or tax authority thereof or therein;

(b) a holder of a Note who is not a resident of The Netherlands and who derives income from a Note or who realises a gain on the disposal or redemption of a Note will not be subject to Dutch taxation on such income or capital gain, unless:

   (i) the holder is deemed to be resident in The Netherlands; or

   (ii) such income or gain is attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in The Netherlands; or

   (iii) the holder is an individual and such income or gain qualifies as income from activities that exceed normal active portfolio management in The Netherlands;

(c) Dutch gift, estate or inheritance taxes will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a holder unless:

   (i) the holder is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions; or

   (ii) the transfer is construed as an inheritance or as a gift made by or on behalf of a person who, at the time of the gift or death, is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions;

(d) there is no Dutch registration tax, stamp duty or any other similar tax or duty payable in The Netherlands in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgment in the courts of The Netherlands) of the Notes or the performance of the Issuer's obligations under the Notes;

(e) there is no Dutch value added tax payable in respect of payments in consideration for the issue of the Notes or in respect of the payment of interest or principal under the Notes or the transfer of a Note, provided that Dutch value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if for Dutch value added tax purposes such services are rendered, or are deemed to be rendered, in The Netherlands and an exemption from Dutch value added tax does not apply with respect to such services; and

(f) a holder of a Note will not be treated as a resident of The Netherlands by reason only of the holding of a Note or the execution, performance, delivery and/or enforcement of the Notes.

3. United States Federal Income Taxation

(a) General

This is a discussion of the principal U.S. federal income tax consequences of the acquisition, ownership, disposition, and retirement of the Notes.

Except as expressly set out below, this discussion does not address all aspects of U.S. federal income taxation that may be relevant to a particular holder based on such holder's particular circumstances, nor does it address any aspect of state, local, or non-U.S. tax laws alternative minimum tax considerations, the Medicare tax on net investment income 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 aspects of U.S. federal income taxation that may be applicable to holders that are subject to special treatment, including holders that:

   (i) are broker-dealers, securities traders, insurance companies, tax-exempt organisations, financial institutions, real estate investment trusts, regulated investment companies or grantor trusts;

   (ii) certain former citizens or long-term residents of the United States;

(iii) hold Notes as part of a "**straddle,**" "**hedge,**" "**conversion,**" "**integrated transaction**" or "**constructive sale**" with other investments; or

(iv) own or are deemed to own 10 per cent. or more, by voting power or value, of the equity of the Issuer (including Subordinated Notes treated as equity for U.S. federal income tax purposes).

This discussion considers only holders that will hold Notes as capital assets and whose functional currency is the U.S. dollar. This discussion is generally limited to the tax consequences to initial holders that purchase Notes upon their initial issue at their initial issue price.

For purposes of this discussion, "**U.S. Holder**", is defined as the beneficial owner of a Note who or which is:

(i) a citizen or resident of the United States;

(ii) a corporation created or organised under the laws of the United States or any political subdivision thereof or therein;

(iii) an estate, the income of which is subject to U.S. federal income tax regardless of the source; or

(iv) a trust, (i) that validly elects to be treated as a U.S. person for U.S. federal income tax purposes; or (ii)(A) if a court within the U.S. is able to exercise primary supervision over the administration of the trust; and (B) one or more U.S. persons have the authority to control all substantial decisions of the trust.

The term "**non-U.S. Holder**" means, for purposes of this discussion, a beneficial owner of the Notes that is neither a U.S. Holder nor an entity treated as a partnership.

If a partnership (or any other entity treated as a partnership for U.S. federal income tax purposes) holds the Notes, the tax treatment of the partnership and a partner in such partnership generally will depend on the status of the partner and the activities of the partnership. Such a partner or partnership should consult its own tax advisor as to its consequences.

This discussion is based upon the Code, existing and proposed regulations thereunder, and current administrative rulings and court decisions, each as available and in effect as of the date hereof. All of the foregoing are subject to change, possibly on a retroactive basis, and any such change could affect the continuing validity of this discussion. Furthermore, there are no cases or rulings by 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 the issues discussed below or the U.S. federal income tax characterisation of the Notes.

Prospective Noteholders should consult their tax advisor concerning the application of U.S. federal income tax laws, as well as the laws of any state or local tax jurisdiction, to their particular situation.

(b) **United States Taxation of the Issuer**

The Issuer intends to conduct its affairs in a manner designed to prevent the Issuer from being treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes. The remainder of this summary assumes that the Issuer will not be so treated. Prospective investors should be aware, however, that no opinion of counsel or ruling from the IRS will be sought regarding this aspect of the U.S. federal income tax treatment of the Issuer. Accordingly, there can be no assurance that the IRS will agree. If the IRS were successfully to assert that the Issuer is engaged in a U.S. trade or business there could be material adverse financial consequences to the Issuer and to persons who hold the Notes. 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. In light of the intended activities of the Issuer, the remainder of this summary assumes that 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.

Each holder and beneficial owner of a 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 either (i) it is not a bank for purposes of section 881(c)(3)(A) of the Code), or (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.

(c) **Characterisation of the Notes**

The Issuer intends to treat the Rated Notes as debt for U.S. federal income tax purposes, and this summary assumes such treatment. By acquiring an interest in a Rated Note, the holder will agree to treat such Rated Note as debt for U.S. federal income tax purposes. Upon the issuance of the Notes, Weil, Gotshal & Manges will deliver an opinion generally to the effect that, assuming compliance with the Transaction Documents, and based on certain factual representations made by the Issuer and/or the Investment Manager, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will, and the Class E Notes should, be characterised as debt of the Issuer for U.S. federal income tax purposes. The determination of whether a Note will 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. The opinion of Weil, Gotshal & Manges will be based on current law and certain representations and assumptions. Prospective investors should note, however, that the classification of an instrument as debt or equity is highly factual, and there can be no assurance that the IRS will not contend, and that a court will not ultimately hold, that one or more classes of Rated Notes, particularly the more junior classes of Rated Notes, are equity.

If the IRS were to challenge the treatment of the Rated Notes and such challenge succeeded, the affected Notes would be treated as equity interests and the U.S. federal income tax consequences of investing in those Notes would be the same as those described below with respect to investments in the Subordinated Notes. Holders of the Notes should note that no rulings have been or will be sought from the IRS with respect to the classification of the Notes or the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS or the courts will not take a contrary position to those stated in the opinion of Weil, Gotshal & Manges. The Issuer intends to treat the Subordinated Notes as equity in the Issuer for U.S. federal income tax purposes. By acquiring an interest in a Subordinated Note, the holder will agree to treat such Subordinated Note as equity for U.S. federal income tax purposes. This summary assumes such treatment.

(d) **U.S. Holders**

(i) *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 payments of qualified stated interest when received. Euro interest received is translated at the U.S. dollar spot rate of Euro 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. 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 rate or, under certain conditions discussed below, at a variable rate.

The Rated Notes may be issued with original issue discount ("**OID**"). 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 0.25 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.

Prospective U.S. Holders should note that interest on the Class C Notes, the Class D Notes, the Class E Notes and Class F Notes may be added to the aggregate principal amount of such Notes where non-payment of such interest results from a shortfall of Interest Proceeds and Principal Proceeds. 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 Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, will be included in the stated redemption price at maturity of such Notes, and as a result each of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will be treated as issued with OID.

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. Accruals of OID will be based on the weighted average maturity of the applicable Class of Notes rather than its Stated Maturity, and on the value of EURIBOR used in setting the interest rate for the first Payment Date, and, in the case of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, adjusting the accrual for each subsequent Payment Date based on the difference between the value of EURIBOR used in setting interest for each subsequent Payment Date and the assumed rate. It is possible that the Internal Revenue Service could assert, and a court could ultimately hold, that some other method of accruing OID on the OID Notes should apply.

A U.S. Holder of a Rated Note that uses the accrual method of accounting or any U.S. Holder required to accrue OID will be required to include in income the U.S. dollar value of Euro interest or OID accrued during the accrual period. An accrual basis U.S. Holder with respect to such interest or any U.S. Holder with respect to OID, may determine the amount of income recognised with respect to such interest or OID, as the case may be, 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 or OID 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). Under the second method, the U.S. Holder can elect to accrue interest or OID 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 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 of interest or OID. 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. An accrual method U.S. Holder of a Rated Note or any U.S. Holder required to accrue OID will recognise foreign currency gain or loss, as the case may be, on interest or OID received to the extent that the

U.S. dollar/Euro exchange rate on the date the interest or OID is received differs from the rate at which the interest or OID was accrued.

Because the OID rules are complex, each U.S. Holder of an OID Note should consult with its own tax advisor regarding the acquisition, ownership, and disposition of such 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".

(ii) *Sale, Exchange, Redemption or Repayment of the Rated Notes*

Unless a non-recognition provision applies (and subject to the "*Investment in a Passive Foreign Investment Company*", "*Investment in a Controlled Foreign Corporation*" and "*Disposition of the Subordinated Notes*" discussions below which are relevant for holders of any class of Notes treated as equity for U.S. Federal income tax purposes), 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 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. A U.S. Holder will recognise foreign currency gain or loss equal to the difference between the U.S. dollar value of the principal amount of the Rated Note on the date of acquisition and the date of disposition. 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 U.S. source 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 and will generally be from U.S. sources. 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.

(iii) *Tax Treatment of U.S. Holders of Subordinated Notes*

As noted above, the Issuer intends to treat the Subordinated Notes as equity for U.S. federal income tax purposes. This summary assumes that the Subordinated Notes will be treated as equity rather than debt for U.S. federal income tax purposes.

(iv) *Investment in a Passive Foreign Investment Company*

A foreign 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 Issuer is considered to own 25 per cent. or more of the shares by value) in a taxable year is passive income. Alternatively, a foreign 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 Subordinated Notes, and U.S. Holders of Subordinated Notes should assume that they will be subject to the U.S. federal income tax consequences described below that result from owning shares in a PFIC (subject to the discussion below under "*Investment in a Controlled Foreign Corporation*").

If the PFIC rules are otherwise applicable, then unless a U.S. Holder 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 Subordinated Notes at a gain, the U.S. Holder 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. Holder's holding period for the Subordinated Notes. An interest charge is also applied to the deferred tax amount resulting from the deemed rateable distribution.

If a U.S. Holder 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. Holder's holding period or subject to an interest charge. Instead, a U.S. Holder that makes a QEF election is required for each taxable year to include in income the U.S. Holder'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. Holder must receive from the Issuer certain information. The Issuer will cause its independent accountants to provide (to the extent reasonably available) U.S. Holders of the Subordinated Notes, 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 QEF election. Except as expressly noted, discussion below assumes that a QEF election will not be made. **The cost charged to the U.S. Holder by the Issuer for providing the information may be significant and, accordingly, the Notes may not be a suitable investment for a U.S. Holder.**

As a result of the nature of the Collateral Debt Obligations that the Issuer intends to hold, the Issuer may hold investments treated as equity of non-United States 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 shares 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 a PFIC and dispositions by the Issuer of the shares of such a 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 shares, certain U.S. Holders may make the QEF election discussed above with respect to the shares of the PFIC owned by the Issuer. However, no assurance can be given that the Issuer will be able to provide U.S. Holders with such information. If the Issuer is a PFIC, generally, each U.S. Holder of a Subordinated Note must make an annual return on IRS Form 8621, with respect to each PFIC in which the U.S. Holder holds a direct or indirect interest. If a U.S. Holder does not file Form 8621, the statute of

limitations on the assessment and collection of U.S. federal income taxes of such U.S. Holder (with respect to its entire return and not just with respect to its investment in the Notes) 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.

(v) *Investment in a Controlled Foreign Corporation*

Depending on the degree of ownership of the Subordinated Notes and other equity interests in the Issuer by U.S. Holders and whether the 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 possesses 10 per cent. or more of the combined voting power of all classes of shares of a corporation. It is possible that the IRS may assert that the Subordinated Notes should be treated as voting securities, and consequently that the U.S. Holders owning Subordinated Notes so treated, or any combination of such Subordinated Notes and other voting securities of the Issuer, that constitute 10 per cent. or more of the combined voting power of all classes of shares of the Issuer are "U.S. 10 per cent. Shareholders" and that, assuming more than 50 per cent. of the Subordinated Notes and other voting securities of the Issuer are held by such U.S. 10 per cent. Shareholders, the Issuer is 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, predominantly 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. Holders 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. Holder of Subordinated Notes is a U.S. 10 per cent. Shareholder of the Issuer, such Holder 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. Holder 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 Subordinated Notes should consult its own tax advisor regarding the interaction of the PFIC and CFC rules.

The Issuer shall provide at the request and expense of holders of the Subordinated Notes (to the extent such information is reasonably available) the information for U.S. Holders of Subordinated Notes to comply with the controlled foreign corporation rules of the Code. **The cost charged to the U.S. Holder by the Issuer may be significant, and, accordingly, the Subordinated Notes may not be a suitable investment for a U.S. Holder.**

(vi) *Distributions on the 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 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 Euros received into U.S. dollars at the spot rate on the date of receipt. A U.S. Holder may realise foreign currency gain or loss on a subsequent disposition of the Euros received.

(vii) *Eligibility for Reduced Rate of Taxation on Dividends*

It is not expected that distributions received on the Subordinated Notes will be eligible for taxation at the lower rates applicable to long-term capital gains that are available on certain dividends paid to non-corporate U.S. Holders of shares of U.S. corporations and certain non-U.S. corporations.

(viii) *Disposition of the Subordinated Notes*

In general, a U.S. Holder of a Subordinated Note will recognise gain or loss upon the sale or exchange of the Subordinated Note equal to the difference between the amount realised and such Holder's adjusted tax basis in such Subordinated Note. Initially, the tax basis of a U.S. Holder should equal the amount paid for a Subordinated Note. Such basis will be increased by amounts taxable to such Holder 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. Holder that receives foreign currency upon the sale or other disposition of the 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. Holder 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. Holder on a subsequent conversion of the foreign currency for a different amount will be foreign currency gain or loss. If, however, the Subordinated 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.

Unless a QEF election is made, it is highly likely that any gain realised on the sale or exchange of a 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. Holders that have held the Subordinated Notes for more than one year, if the Issuer were treated as a CFC and a U.S. Holder were treated as a U.S. 10 per cent. Shareholder therein, then any gain realised by such Holder upon the disposition of Subordinated Notes would be treated as ordinary income to the extent of the U.S. Holder's *pro-rata* share of current and accumulated earnings and profits of the Issuer and any of its subsidiaries. In this respect, earnings and profits would not include any amounts previously taxed pursuant to the CFC rules.

(ix) *Foreign Currency Gain or Loss*

A U.S. Holder of Subordinated Notes (or other Notes treated as equity interests in the Issuer) that recognises income from the 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. Holder that purchases 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. Holder'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. Holder that receives foreign currency upon the sale or other disposition of the 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. Holder 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. Holder on a subsequent conversion of the foreign currency for a different amount will be foreign currency gain or loss.

U.S. Holders may be required to file particular IRS tax forms with respect to their investment in the Notes. In the event a U.S. Holder does not file the appropriate form, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. Holder for the related tax year may not close before the date which is three years after the date on which such filing is made. Such tolling of the limitations period would apply to the U.S. Holder's entire tax return (not just the part of the return related to the filing).

(x) *Transfer and Other Reporting Requirements*

In general, U.S. Holders who acquire any 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. Holder 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 $100,000. If a U.S. Holder that is required to file fails to file such form, that U.S. Holder could be subject to a penalty of up to $100,000 (computed as 10 per cent. of the gross amount paid for the Subordinated Notes) or more if the failure to file was due to intentional disregard of its obligation.

In addition, a U.S. Holder of Subordinated Notes 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. Holder of 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. U.S. Holders should consult their own tax advisors regarding whether they are required to file IRS Form 5471. If a U.S. Holder that is required to file such form fails to file such form, the U.S. Holder could be subject to a penalty of $10,000 for each such failure to file (in addition to other consequences).

Prospective investors in the Subordinated Notes or any other Class of Notes 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, and significant penalties may be imposed on taxpayers that fail to file the form timely. Such filing will also generally be required by a U.S. Holder of the 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. Holder owns 10 per cent. or more of the aggregate amount of the 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. Holder 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. Significant penalties may be imposed on taxpayers required to file Form 8886 that fail to do so timely.

A U.S. Holder that is an individual and holds certain foreign financial assets must file new IRS Form 8938 to report the ownership of such assets if the total value of those assets exceeds the applicable threshold amounts. The threshold varies depending on whether the individual lives in the United States or files a joint income tax return with a spouse. For example, an unmarried U.S. Holder living in the United States is required to file Form 8938 if the total value of all specified foreign financial assets is more than $50,000 on the last day of the tax year or more than $75,000 at any time during the tax year. U.S. Holders in other situations have the same or greater thresholds. In general, specified foreign financial assets include debt or equity interests (that are not regularly traded on an established securities market) issued by foreign financial institutions (such as the Issuer), and any interest in a foreign entity that is not a financial institution, including any shares or security, and any financial instrument or contract held for investment that has an issuer or counterparty that is not a U.S. person. Proposed regulations also would require certain domestic entities that are formed, or availed of, for purposes of holding, directly or indirectly, specified foreign financial assets to file IRS Form 8938. In addition, certain non-resident alien individuals may be required to file Form 8938,

notwithstanding the availability of any special treatment under an income tax treaty. However, in general, such form is not required to be filed with respect to the Notes if they are held through a U.S. payer, such as a U.S. financial institution, a U.S. branch of a non U.S. bank, and certain non U.S. branches or subsidiaries of U.S. financial institutions.

Taxpayers who fail to make the required disclosure with respect to any taxable year are subject to a penalty of $10,000 for such taxable year, which may be increased up to $50,000 for a continuing failure to file the form after being notified by the IRS. In addition, the failure to file Form 8938 will extend the statute of limitations for a taxpayer's entire related income tax return (and not just the portion of the return that relates to the omission) until at least three years after the date on which the Form 8938 is filed.

All U.S. Holders are urged to consult with their own tax advisors with respect to whether a Note is a foreign financial asset that (if the applicable threshold were met) would be subject to this rule.

(e) **Information Reporting and Backup Withholding Tax**

The amount of interest and principal paid or accrued on the Notes, and the proceeds from the sale of a Note, in each case, paid within the United States or by a U.S. payor or U.S. middleman to a U.S. person (other than a corporation or other exempt recipient) will be reported to the IRS. Under the Code, a U.S. person may be subject, under certain circumstances, to "backup withholding tax" with respect to interest and principal on a Note or the gross proceeds from the sale of a Note paid within the United States or by a U.S. middleman or United States payor to a U.S. Person. Backup withholding tax generally applies only if the U.S. person: (a) fails to furnish its social security or other taxpayer identification number within a reasonable time after the request therefore; (b) furnishes an incorrect taxpayer identification number; (c) is notified by the IRS that it has failed to properly report interest OID or dividends; or (d) fails, under certain circumstances, to provide a certified statement, signed under penalty of perjury, that it has furnished a correct taxpayer identification number and has not been notified by the IRS that it is subject to backup withholding tax for failure to report interest and dividend payments.

Non-U.S. persons or, in certain cases, their beneficial owners may be required to comply with certification procedures to establish that they are not U.S. Holders in order to avoid information reporting and backup withholding tax.

(f) **Non-U.S. Holders**

Subject to the discussions below under "*Information Reporting and Backup Withholding Tax*" and "*Application of New Tax Reporting and Withholding Law*", payments, including interest, OID and any amounts treated as dividends, on a Note to a non-U.S. Holder and gain realised on the sale, exchange or retirement of a Note by a 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 federal income tax imposed on gain, such non-U.S. Holder is a non-resident alien individual who holds a Note as a capital asset and is present in the United States for one hundred and eighty three calendar days or more in the taxable year of sale and certain other conditions are satisfied.

(g) **FATCA**

Under U.S. tax legislation colloquially referred to as the Foreign Account Tax Compliance Act ("**FATCA**"), a 30 per cent. withholding tax is imposed on certain payments of U.S. source income and gross proceeds from the sale of property that produces certain U.S. source income to certain non-United States persons that are "foreign financial institutions" as defined in section 1471(d)(4) of the Code ("**FFI**"), such as the Issuer, unless certain conditions are satisfied. Generally, the withholding tax is phased in over several years and applies to payments of U.S. source income made on or after 1 July 2014, to certain gross proceeds paid on or after 1 January 2017 and certain other "passthru payments" (described below) no earlier than 1 January 2017. As a general matter, FATCA withholding tax (which is not expected to be refundable with respect to the Issuer) will not be imposed if (i) the payment is made with respect to an obligation outstanding on or prior to 30 June 2014 (that has not been materially

modified after 30 June 2014 and treated as reissued for U.S. federal income tax purposes) (a "**Grandfathered Obligation**"), or (ii) if required to do so, the Issuer (and each foreign withholding agent (if any) in the chain of custody of payments made to the Issuer, such person, an "**Intermediary**") enters into an agreement (an "**IRS Agreement**") with the U.S. Internal Revenue Service ("**IRS**") that requires the Issuer to satisfy certain withholding tax and information reporting requirements regarding its U.S. Holders (such information being "**Noteholder FATCA Information**"). For this purpose, the term "obligation" does not include obligations that lack a definitive expiration or term (such as savings or demand deposits) or equities. The debt obligations of U.S. Obligors held by the Issuer generally should be Grandfathered Obligations if such obligations were outstanding as of (and not materially modified after) 30 June 2014 (even if the Issuer purchases the obligation after 30 June 2014).

If it is required to do so in order to avoid FATCA withholding (but subject to the discussions relating to the IGA, below), the Issuer will enter into an IRS Agreement. Under the terms of such an agreement, the Issuer is expected to be obliged to comply with certain withholding tax obligations imposed on payments made to certain FFIs that fail to enter into an IRS Agreement and holders that fail to provide Noteholder FATCA Information to the Issuer that would enable the Issuer to comply with its own information reporting obligations (such Noteholders, "**Recalcitrant Noteholders**"). As such, the Issuer will be obliged to withhold tax at a 30 per cent. rate on certain "passthru payments" made to Recalcitrant Noteholders. Such withholding would begin no earlier than 1 January 2017. Preliminary guidance that was not included in the final regulations suggested that a payment on a Note will be treated as a passthru payment to the extent of (i) the amount (if any) of the payment that is treated as U.S. source payments plus (ii) the remainder of the payment multiplied by a ratio equal to the Issuer's average U.S. assets to its average total assets, determined as of specified testing dates. U.S. assets are likely to be defined broadly for purposes of this determination. Although the final regulations do not contain the above formulation, the United States Department of the Treasury (the "**Treasury**") has indicated that rules defining foreign passthru payments (clause (ii) of the definition above) will be issued at a later date. Thus, it is unclear if the eventual rule for withholding with respect to the non-U.S. source portion of payments described in (ii) above will adopt this assets-based approach. Further, a debt obligation (such as the Notes) that does not produce U.S. source payments will be grandfathered if the obligation is outstanding six months after the adoption of final regulations addressing withholding on foreign passthru payments. Because such regulations have yet to be adopted and payments on the Notes are expected to be comprised solely of non-U.S. source payments, the Notes (other than Subordinated Notes and any other Class of Notes that are treated as equity for U.S. federal income tax purposes) are not expected to be subject to tax since such securities should be treated as Grandfathered Obligations. The Subordinated Notes (and any other Class of Notes that are treated as equity for U.S. federal income tax purposes) are not eligible for grandfathering because they represent equity in the Issuer. See "*Tax Considerations - United States Federal Income Taxation*".

In addition, if an FFI Affiliate of the Issuer is not FATCA compliant (i.e., it fails to comply with (and is not exempted from complying with) FATCA), the Issuer itself may be prohibited from complying with FATCA. For this purpose, an "FFI Affiliate" generally is an FFI that is deemed to be part of an affiliated group that includes the Issuer (where, in general, such Affiliates and the Issuer are deemed related through more than 50 per cent. ownership). For example, if an FFI owns (for U.S. federal income tax purposes) more than 50 per cent. of the Issuer's equity and such FFI equity owner is not FATCA compliant, the Issuer may not be eligible to comply with FATCA. Furthermore, in certain cases, if an entity is deemed (for U.S. federal income tax purposes) to own more than 50 per cent. of the equity of both (i) the Issuer and (ii) another FFI, such other FFI may be treated as an FFI Affiliate of the Issuer for this purpose and, thus, if such other FFI is not FATCA compliant, the Issuer may be prohibited from complying with FATCA. For these purposes, ownership by a person of the majority of the Subordinated Notes of the Issuer is likely to constitute the requisite ownership by that person of the Issuer. Similarly ownership by a person of a majority of the ordinary share capital of another FFI or, in the case of another FFI which is a special purpose entity similar to the Issuer, of the most junior class and any other class treated as equity for U.S. federal tax purposes of such other FFI, is likely to constitute the requisite ownership by that person of such other FFI.

Although the Issuer will not prohibit any Noteholder from accumulating more than 50 per cent. of the Issuer's equity (for United States federal income tax purposes), as a condition to acquiring its interest in any Notes, each Noteholder that is an FFI will be deemed to agree and represent that it will at all relevant times use its best efforts, if it is an FFI Affiliate of the Issuer, to be a participating FFI or a registered deemed compliant FFI. Further the Issuer does retain the right to force the sale of all or any

portion of such equity if such holding prevents the Issuer from complying with FATCA. For these purposes, the Issuer may 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.

The Netherlands entered into an intergovernmental agreement (the "**IGA**") with the United States on 18 December 2013. Under the terms of the IGA (which, although executed and treated as in effect by the IRS, it is still subject to the approval of the Dutch Senate), the Issuer will not be required to enter into an agreement with the IRS, but instead is expected to be required to register with the IRS to obtain a Global Intermediary Identification Number ("**GIIN**") and then comply with the IGA Dutch administrative guidance and any Netherlands legislation enacted to give effect to the IGA. The Issuer has registered with the IRS and obtained a GIIN as a registered deemed compliant entity that would be required to report to the Netherlands taxing authority, which will exchange such information with the IRS under the terms of the IGA. Under the terms of the IGA, withholding will not be imposed on payments made to the Issuer, or on payments made by the Issuer to the Noteholders (other than perhaps certain passthru withholding), unless the IRS has specifically listed the Issuer as a non-participating financial institution, or the Issuer has otherwise assumed responsibility for withholding under United States tax law.

The Issuer is permitted to make amendments to the Trust Deed and the Conditions of the Notes without the consent of Noteholders to provide for the issuance of a new Class of Notes or the creation of sub-classes of such Class of Notes (in each case, with new identifiers) if it or the Trustee determines that one or more beneficial owners of such Class of Notes is a Recalcitrant Noteholder. The intent of such amendments would be to allow holders of such Class that are not Recalcitrant Noteholders to take an interest in such new Note(s) or sub-class(es) in order to isolate the identity of the Recalcitrant Noteholder(s) and lessen the likelihood that Noteholders, other than any applicable Recalcitrant Noteholder(s), would be subject to withholding due to the failure of a Recalcitrant Noteholder to provide the Issuer with Noteholder FATCA Information. However, there can be no assurance that any such amendments will be made or, if they are, that they will have the effect of eliminating or reducing withholding on any Noteholders' Notes caused by a Recalcitrant Noteholder.

Under the Trust Deed, each Noteholder or beneficial owner of a Note will agree or be deemed to agree to (i) provide the Issuer and any applicable Intermediary with Noteholder FATCA Information and (ii) permit the Issuer, the Investment Manager, an Intermediary and the Trustee (on behalf of the Issuer) to (x) share such Noteholder FATCA Information with the IRS and any other tax authority, (y) compel or effect the sale of Notes held by any such Noteholder that fails to comply with the foregoing requirement or prevents the Issuer from complying with FATCA and (z) make other amendments to the Trust Deed to enable the Issuer to comply with FATCA and/or assign to such Note a separate identification numbers.

Because the IGA is still subject to approval by the Dutch Senate, which while expected is not certain, FATCA's application to the Issuer (or an Intermediary) is currently uncertain. No assurance can be given that the Issuer (or an Intermediary) will be able to take all necessary actions or that actions taken will be successful to minimise the impact of FATCA. Further, the efficacy of the Issuer's (or an Intermediary's) actions might not be within the control of the Issuer (or an Intermediary) and, for example, may depend on the actions of the Noteholder (and each foreign withholding agent (if any) in the chain of custody). Each potential purchaser of Notes should consult its own tax advisor about how FATCA might affect such prospective Noteholder in its particular circumstance.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR SHAREHOLDER. 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.

4. EU Directive on the Taxation of Savings Income

Under Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income (the "**EU Savings Directive**"), each member state is required to provide to the tax authorities of another member state details of payments of interest or other similar income paid by a paying agent within its jurisdiction to, or collected by such a person for, an individual resident in that other member state; however for a

transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments. The end of this transitional period depends on the conclusion of certain other agreements relating to exchange of information with certain other countries.

A number of non EU countries, including Switzerland, ("**Third Countries**") and certain dependent or associated territories of certain member states ("**Dependent and Associated Territories**") have adopted similar measures in relation to payments of interest or other similar income paid by a paying agent within its jurisdiction to, or collected by such a person for, an individual resident in another member state, or certain Third Countries or Dependent and Associated Territories.

The Council of the European Union adopted certain changes to the EU Savings Directive on 24 March 2014. EU Member States will have until 1 January 2016 to adopt national laws to implement these changes. The changes, when implemented, will broaden the scope of the requirements described above.

CERTAIN ERISA CONSIDERATIONS

ERISA imposes certain requirements on "**employee benefit plans**" subject thereto including 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 requirement of prudence, diversification 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, certain church plans and certain non-U.S. plans, 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. laws, 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, the "**Plan Asset Regulation**"), as modified by section 3(42) of ERISA, 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 with respect to such assets (such as the Investment 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 (1) 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, (2) a plan to which section 4975 of the Code applies, or (3) 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 Class A Notes, the Class B Notes, the Class C Notes and Class D Notes offered hereby will be treated by the Issuer as indebtedness with no substantial equity features for purposes of ERISA. The treatment of the Class A Notes, the Class B Notes, the Class C Notes and the Class D 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 Subordinated Notes for purposes of the Plan Asset Regulation are less certain. The Class E Notes, Class F Notes and the Subordinated Notes may be considered "equity interests" for purposes of the Plan Asset Regulation. Accordingly, the Issuer intends to limit investments by Benefit Plan Investors in such Class E Notes, Class F Notes and Subordinated Notes. In reliance on representations made by investors in the Class E

Notes, Class F Notes and the Subordinated Notes, the Issuer intends to limit investment by Benefit Plan Investors in Class E Notes, Class F Notes and Subordinated Notes to less than 25 per cent. of the Class E Notes, Class F Notes or the Subordinated Notes (determined separately by class) at all times (excluding for purposes of such calculation Class E Notes, Class F Notes and Subordinated Notes held by a Controlling Person). Each prospective purchaser (including a transferee) of a Class E Note, Class F Note or a Subordinated Note will be required to or deemed to make certain representations regarding its status as a Benefit Plan Investor or Controlling Person and other ERISA matters as described under "*Transfer Restrictions*" below. No Class E Note, Class F Note or Subordinated Note will be sold or transferred to purchasers that have represented that they are Benefit Plan Investors or Controlling Persons to the extent that such sale may result in Benefit Plan Investors owning 25 per cent. or more of the Class E Notes, Class F Notes or the Subordinated Notes (determined in accordance with Section 3(42) of ERISA, the Plan Asset Regulation and the Trust Deed). Except as otherwise provided by the Plan Asset Regulation, each Class E Note, Class F Note and Subordinated Note held by persons that have represented that they are Controlling Persons will be disregarded and will not be treated as outstanding for purposes of determining compliance with such 25 per cent. Limitation.

Even if the Class A Notes, the Class B Notes, the Class C Notes and the Class D 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 Investment Manager, 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 Notes may not be acquired using the assets of any Plan if any of the Issuer, the Initial Purchaser, the Investment Manager 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).

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 Note, Class B Note, Class C Note or Class D Note or any interest in such Note will be required or deemed to have represented, warranted and agreed that (i) either (A) it 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 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 Notes 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 or disposition of such Notes (or interests 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 non-exempt violation of any Other Plan Law, and (ii) it will not sell or transfer such Notes (or interests therein) to a transferee acquiring such Notes (or interests therein) unless the transferee makes the foregoing representations, warranties and agreements described in clause (i) hereof.

Each initial investor (other than the Initial Purchaser) in: (a) any Class E Notes, Class F Notes or Subordinated Notes in the form of Rule 144A Notes; (b) any Subordinated Notes in the form of Regulation S Notes; or (c) any Class E Notes or Class F Notes in the form of Regulation S Notes represented by a Regulation S Definitive Certificate, purchased on the Issue Date will be required to enter into a subscription agreement (and, in the case

of the investment manager, a note purchase agreement) with the Initial Purchaser in which such investor will certify as to, among other matters, its status under the Securities Act, the Investment Company Act and ERISA.

Each purchaser, transferee or other holder of a Class E Note, Class F Note or Subordinated Note in the form of a Regulation S Global Certificate or a Rule 144A Global Certificate will be deemed to represent, warrant and agree that it is not, and is not acting on behalf of, a Benefit Plan Investor or Controlling Person. A governmental, church, non-U.S. or other plan will be deemed to represent that (1) it is not, and for so long as it holds such Notes or interest therein will not be, subject to any federal, state, local, non-U.S. or other 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 Investment Manager (or other persons responsible for the investment and operation of the Issuer's assets) to Other Plan Law ("**Similar Law**") and (2) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law. Each holder of a Class E Note, Class F Note or Subordinated Note will agree or be deemed to agree to certain transfer restrictions regarding its interest in such Notes. Any purported transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the Issuer will have the right to cause the sale of such Class E Notes, Class F Notes or Subordinated Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

An investor that is a Controlling Person, a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor may acquire a Class E Note, Class F Note or Subordinated Note in Definitive Certificate form (or any interest therein) (and the Retention Holder, provided it has given an ERISA Certificate (substantially in the form of Annex A (*Form of ERISA Certificate*) hereto) to the Issuer, may hold a Retention Note that is a Class E Note, Class F Note or Subordinated Note in the form of a Regulation S Global Certificate or Rule 144A Global Certificate, regardless of whether it is a Controlling Person or a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor for the purposes of ERISA) if such investor: (1) obtains the written consent of the Issuer and (2) provides an ERISA Certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person (substantially in the form of Annex A (*Form of ERISA Certificate*) hereto). Each purchaser or transferee or other holder of a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate or any interest in such Note will be required to: (i) represent and warrant in writing to the Issuer in an ERISA Certificate: (A) whether or not, for so long as it holds such Notes or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (B) whether or not, for so long as it holds such Notes or interest therein, it is a Controlling Person and (C) that (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (2) if it is a governmental, church, non-U.S. 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 will not constitute or result in a non-exempt violation of any Other Plan Law; and (ii) will agree to certain transfer restrictions regarding its interest in such Notes.. Any purported transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the Issuer will have the right to cause the sale of such Class E Notes, Class F Notes or Subordinated Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

No purchase or transfer of an interest in Class E Notes, Class F Notes or Subordinated Notes will be permitted or recognised if it would cause the 25 per cent. Limitation described above to be exceeded with respect to the Class E Notes, Class F Notes or Subordinated Notes (determined separately by class).

Any Plan fiduciary considering whether to acquire a Note on behalf of a Plan or an employee benefit 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 similar provisions of 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.

PLAN OF DISTRIBUTION

Merrill Lynch International, in its capacity as Initial Purchaser, has agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe and pay for each Class of the Notes (the "**Merrill Lynch Placed Notes**") pursuant to the Subscription Agreement at the following issue prices:

(a) Class A Notes, 100.00 per cent.;

(b) Class B Notes, 100.00 per cent.;

(c) Class C Notes, 99.33 per cent.;

(d) Class D Notes, 99.31 per cent.;

(e) Class E Notes, 96.22 per cent.;

(f) Class F Notes, 91.42 per cent.; and

(g) Subordinated Notes, 100.00 per cent.,

The Subscription Agreement entitles the Initial Purchaser to terminate it in certain circumstances prior to payment being made to the Issuer.

The Initial Purchaser shall procure the transfer of the Retention Notes to the Retention Holder as soon as possible on the Issue Date.

The Initial Purchaser may offer the Notes at prices as may be negotiated at the time of sale which may vary among different purchasers and which may be different to the issue price of the Notes.

It is a condition of the issue of the Notes of each Class that the Notes of each Class be issued in the following principal amounts: Class A Notes: €252,750,000, Class B Notes: €60,250,000, Class C Notes: €26,000,000, Class D Notes: €23,500,000, Class E Notes: €27,000,000, Class F Notes: €15,250,000 and Subordinated Notes: €46,000,000.

The Issuer has agreed to indemnify the Initial Purchaser, the Investment Manager, the Collateral Administrator, the Trustee and certain other participants 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 or its Affiliates. In addition, the Initial Purchaser or its Affiliates 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 or the Initial Purchaser that would permit a public offering of the Notes or possession or distribution of this Prospectus or any other offering material in relation to the Notes in any jurisdiction where action for the purpose is required. No offers, sales or deliveries of any Notes, or distribution of this Prospectus 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 or the Initial Purchaser.

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 the Merrill Lynch Placed 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, where each of such purchasers or accountholders is also a QP. The Merrill Lynch 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 Notes sold in reliance on Rule 144A will be issued in minimum denominations of €250,000 each and integral multiples of €1,000 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 (or its broker dealer Affiliates).

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 Prospectus 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 regulated market of the Irish Stock Exchange. The Issuer and the Initial Purchaser reserve 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 Prospectus does not constitute an offer to any person in the United States or to any U.S. Person. Distribution of this Prospectus 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, is prohibited.

The Initial Purchaser has represented and agreed that:

(a) 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 ("**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

(b) 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, from or otherwise involving the United Kingdom.

The Initial Purchaser has also agreed to comply with the following selling restrictions:

(a) ***State of Connecticut***: The securities have not been registered under the Connecticut Securities Law. The securities are subject to restrictions on transferability and sale.

(b) ***State of Florida***: The securities 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 securities 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

calendar days after the first tender of consideration is made by such purchaser to the Issuer, an agent of the Issuer, or an escrow agent.

(c) ***State of Georgia***: The Notes have been issued or sold in reliance on paragraph (13) of Code Section 10-5-9 of the Georgia Securities Act of 1973, 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.

(d) ***European Economic Area***: In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") the Initial Purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Notes to the public in that Relevant Member State at any time:

(i) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(ii) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant dealer or dealers nominated by the Issuer for any such offer; or

(iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall require the publication by the Issuer or any other entity of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an 'offer of the Notes to the public' in relation to any Notes in any Relevant Member State 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 that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

(e) ***Australia***: Neither this Prospectus 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.

(f) ***Austria***: No offering circular or 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 Prospectus nor any other document connected therewith constitutes a prospectus according to the KMG and neither this Prospectus 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 has 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.

(g) ***Belgium***: The offering of Notes has not been and will not be notified to the Belgian Financial Services and Markets Authority (*autoriteit voor financiele diensten en markten/autorite des services et marches financiers*) nor has this Prospectus 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 1.3 of the Law of 6 April 2010 on trade practices and consumer protection, as modified, otherwise than in conformity with such law and its implementing regulations.

(h) ***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.

(i) ***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.

(j) ***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.

(k) ***France***: Neither this Prospectus nor any other offering material relating to the Notes has been submitted to the clearance procedures of the Autorite des Marches 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 Prospectus 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 Monetaire 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 *Reglement Général* of the AMF, does not constitute a public offer.

(l) ***Germany***: The Notes will not be registered for public distribution in Germany. This Prospectus does not constitute a sales document pursuant to the German Capital Investment Act (*Vermogensanlagengesetz*). Accordingly, the Initial Purchaser has represented and agreed that no offer of the Notes will be made to the public in Germany. This Prospectus 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.

(m) ***Hong Kong***: The contents of this Prospectus 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.

(n) ***India***: This Prospectus 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 Prospectus 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 Prospectus 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.

(o) ***Ireland*** : The Initial Purchaser has represented and agreed that:

(i) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended), including, without limitation, Regulations 7 and 152 thereof or any codes of conduct used in connection therewith and the provisions of the Investor Compensation Act 1998;

(ii) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Companies Acts 1963 to 2013 (as amended), the Central Bank Acts 1942 to 2013 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989; and

(iii) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) and any rules issued under Section 34 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank of Ireland.

(p) ***Israel***: This Prospectus 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 "b") 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.

(q) ***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 the Prospectus 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 Prospectus or any other document relating to the Notes in the Republic of Italy under (i) and (ii) above must be:

(iii) 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

(iv) 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 (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.

(r) ***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.

(s) ***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.

(t) ***Monaco:*** The Notes may not be offered or sold, directly or indirectly, to the public in Monaco other than by a Monaco bank or a duly authorised Monegasque intermediary acting as a professional institutional investor which has such knowledge and experience in financial and business matters as to be capable of evaluating the risks and merits of an investment in the fund. Consequently, this Prospectus may only be communicated to banks duly licensed by the Autorité de Contrôle Prudentiel and fully licensed portfolio management companies by virtue of Law No. 1.144 of July 26, 1991 and Law 1.338 of September 7, 2007, duly licensed by the Commission de Contrôle des Activités Financiers. Such regulated intermediaries may in turn communicate this Prospectus to potential investors.

(u) ***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 of the European Parliament and of the Council of 4 November 2003 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.

(v) ***Netherlands***: The Notes may only be offered, sold or delivered in The Netherlands to qualified investors (as defined in the Dutch FSA (*Wet op het financieel toezicht*), as amended from time to time) that do not qualify as "public" (within the meaning of the article 4(1) Capital Requirements Regulation (Regulation (EU) 575/2013) and the rules promulgated thereunder, as amended or any subsequent legislation replacing that regulation).

The Initial Purchaser has represented and agreed that no Subordinated Note may be offered, sold, resold, delivered or transferred other than to "professional market parties" (*professionele marktpartijen*) within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) that do not qualify as "public" (within the meaning of article 4(1) of the CRR) and the rules promulgated thereunder or any subsequent legislation replacing that regulation, and, if resident or domiciled in The Netherlands, other than to qualified investors within the meaning of the Dutch Act on Financial Supervision (*Wet op het financieel toezicht*).

(w) ***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.

(x) ***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.

(y) ***Portugal***: The Initial Purchaser has represented and agreed with the Issuer 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 Mobiliarios, 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 the Offering Memorandum or any other offering material relating to the Notes; (iii) all applicable provisions of the CVM, any applicable Comissao do Mercado de Valores Mobiliarios (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.

(z) ***Singapore***: This Prospectus 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 Prospectus 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:

(i) 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;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law; or

(iv) 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 the Prospectus have been approved or registered with the Spanish Notes Markets Commission (Comision 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 Prospectus 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 Prospectus, 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 Prospectus 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, you will acknowledge and agree, among other things, that you understand that the Issuer is not registered as an investment company under the Investment Company Act, and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act and Rule 3a-7 of the Investment Company Act; provided that the Issuer (or the Investment Manager on its behalf) may elect (which election may be made only upon confirmation from the Investment Manager that it has obtained legal advice from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule) to rely solely on the exemption from the Investment Company Act provided by Section 3(c)(7) by written notice thereof to the Trustee. Section 3(c)(7) excepts from the provisions of 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". In general terms, qualified purchaser includes any natural person who owns not less than U.S.$5,000,000 in investments; 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 Prospectus, will be deemed to have represented and agreed that such person acknowledges that this Prospectus 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 Prospectus, 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 Notes represented by a Rule 144A Global Certificate will be deemed to have represented and agreed, and each purchaser of Notes represented by Definitive Certificates will be required to represent and agree, as follows:

1. The purchaser (a) is a QIB, (b) is aware that the sale of such Rule 144A 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 "*Important Notice*" 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. 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 Arranger, the Trustee, the Investment Manager or the Collateral Administrator is acting as a fiduciary or financial or investment 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 Arranger, the Trustee, the Investment Manager or the Collateral Administrator other than in this Prospectus 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 Arranger, the Trustee, the Investment 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 advisors 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 advisors as it has deemed necessary and not upon any view expressed by the Issuer, the Initial Purchaser, the Arranger, the Trustee, the Investment 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 30 April 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 $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 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 Note, Class B Note, Class C Note or Class D Note or any interest in such Notes (i) either (A) it 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 Notes 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 or disposition of such Notes (or interests 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 non-exempt violation of any Other Plan Law, and (ii) it will not sell or transfer such Notes (or interests therein) to an acquirer acquiring such Notes (or interests therein) unless the acquirer 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 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.

(b)

(i) Each purchaser, transferee or other holder of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate (other than the Retention Holder in respect of the Retention Notes, provided that it has given an ERISA Certificate (substantially in the form of Annex A (*Form of ERISA Certificate*) hereto) to the Issuer or as otherwise permitted in writing by the Issuer with respect to interests in Class E Notes, Class F Notes or Subordinated Notes acquired in the initial offering) will be deemed to represent, warrant and agree that it is not, and is not acting on behalf of, a Benefit Plan Investor or Controlling Person. A governmental, church, non-U.S. or other plan will be deemed to represent that (x) it is not, and for so long as it holds such Notes or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law. Each holder of a Class E Note, Class F Note or Subordinated Note will agree or be deemed to agree to certain transfer restrictions regarding its interest in such Notes. Any purported transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the Issuer will have the right to cause the sale of such Class E Notes, Class F Notes or Subordinated Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(ii) An investor that is a Controlling Person, a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor may acquire a Class E Note, Class F Note or Subordinated Note in Definitive Certificate form (or any interest therein) (and the Retention Holder, provided it has given an ERISA Certificate (substantially in the form of Annex A (*Form of ERISA Certificate*) hereto) to the Issuer, may hold a Class E Note, Class F Note or Subordinated Note which is a Retention Note in the form of a Rule 144A Global Certificate, regardless of whether it is a Controlling Person or a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor for the purposes of ERISA) if such investor: (A) obtains the written consent of the Issuer and (B) provides an ERISA Certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person (substantially in the form of Annex A (*Form of ERISA Certificate*) hereto). Each purchaser or transferee or other holder of a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate or any interest in such Note will be required to: (A) represent and warrant in writing to the Issuer in an ERISA Certificate (1) whether or not, for so long as it holds such Notes or interest herein, it is, or is acting on behalf of, a Benefit Plan Investor, (2) whether or not, for so long as it holds such Notes or interest therein, it is a Controlling Person and (3) that (x) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (y) if it is a governmental, church, non-U.S. or other plan, (i) it is not, and for so long as it holds such Notes or interest therein will not be, subject to Similar Law and (ii) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law; and (B) agree to certain transfer restrictions regarding its interest in such Notes, Any purported transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the Issuer will have the right to cause the sale of such Class E Notes, Class F Notes or Subordinated Notes to

another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(iii) The purchaser acknowledges that the Issuer, the Initial Purchaser, the Arranger, the Trustee, the Investment Manager and the Collateral Administrator and their Affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

7. The purchaser understands that pursuant to the terms of the Trust Deed, the Issuer has agreed that the Rule 144A Global Certificates or Rule 144A Definitive Certificates, 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 Rule 144A Definitive Certificates, 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 with a written certification (in the form provided in the Trust Deed) as to compliance with the transfer restrictions.

ANY LOSSES IN THE ISSUER WILL BE BORNE SOLELY BY INVESTORS IN THE ISSUER AND NOT BY THE INVESTMENT MANAGER OR ITS AFFILIATES; THEREFORE, THE INVESTMENT MANAGER'S LOSSES IN THE ISSUER WILL BE LIMITED TO LOSSES ATTRIBUTABLE TO THE "OWNERSHIP INTERESTS" (AS DEFINED IN THE VOLCKER RULE) IN THE ISSUER HELD BY THE INVESTMENT MANAGER AND ANY AFFILIATE IN ITS CAPACITY AS INVESTOR IN THE ISSUER. PROSPECTIVE INVESTORS IN THE ISSUER SHOULD READ THE FINAL PROSPECTUS BEFORE INVESTING IN THE ISSUER. THE OWNERSHIP INTERESTS IN THE COVERED FUND ARE NOT INSURED BY THE UNITED STATES FEDERAL DEPOSIT INSURANCE CORPORATION AND ARE NOT DEPOSITS, OBLIGATIONS OF, OR ENDORSED OR GUARANTEED IN ANY WAY, BY ANY BANKING ENTITY. THE ROLE OF THE INVESTMENT MANAGER AND ITS AFFILIATES AND EMPLOYEES IN SPONSORING AND PROVIDING SERVICES TO THE COVERED FUND IS DESCRIBED HEREIN.

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 UNDER 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 $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), €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, IF A VIOLATION OF (V) TO (Z) OCCURS, 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.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT 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 BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) ("**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 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 NOTES 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 OR DISPOSITION OF SUCH NOTES (OR INTERESTS 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 NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER SUCH NOTES (OR INTERESTS THEREIN) TO AN ACQUIRER ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIRER 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 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.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND THE SUBORDINATED NOTES IN THE FORM OF RULE 144A GLOBAL CERTIFICATES ONLY*] [ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT AND WARRANT THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER AND PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH

NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), 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 THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL NON-U.S. OR OTHER 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 INVESTMENT 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 ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). OTHER THAN ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT AND WARRANT THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND, OTHER THAN WITH RESPECT TO THE RETENTION NOTES, HOLDS SUCH CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE, AS APPLICABLE, IN THE FORM OF A DEFINITIVE CERTIFICATE; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, 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 THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY SIMILAR LAW, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY 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**" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE 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.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD

BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION 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 THE SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER AND THE TRANSFER AGENTS (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON AND (3) THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") 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 THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL NON-U.S. OR OTHER 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 INVESTMENT 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 ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "**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**" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE 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.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

THE FAILURE TO PROVIDE THE ISSUER AND ANY PAYING AGENT WITH THE APPLICABLE U.S. FEDERAL INCOME TAX CERTIFICATIONS (GENERALLY, A U.S. INTERNAL REVENUE SERVICE FORM W-9 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE OR AN APPLICABLE U.S. INTERNAL REVENUE SERVICE FORM W-8 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS NOT A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE) MAY RESULT IN U.S. FEDERAL BACK UP WITHHOLDING FROM PAYMENTS TO THE HOLDER IN RESPECT OF THIS NOTE.

EACH HOLDER AND EACH BENEFICIAL OWNER OF A RATED NOTE, BY ACCEPTANCE OF SUCH RATED NOTE, OR ITS INTEREST IN A RATED NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, SUCH RATED NOTE AS DEBT FOR U.S. FEDERAL INCOME TAX PURPOSES.

EACH HOLDER AND EACH BENEFICIAL OWNER OF A SUBORDINATED NOTE REPRESENTED BY THIS CERTIFICATE, BY ACCEPTANCE OF SUCH NOTE, OR ITS INTEREST IN SUCH NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, SUCH NOTE AS EQUITY FOR U.S. FEDERAL INCOME TAX PURPOSES.

THE RATED NOTES MAY 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 COLLATERAL ADMINISTRATOR AT THE BANK OF NEW YORK MELLON S.A./N.V, DUBLIN BRANCH, 4TH FLOOR HANOVER BUILDING, WINDMILL LANE, DUBLIN 2, IRELAND.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES IN THE FORM OF IM NON-VOTING NOTES OR IM EXCHANGEABLE NON-VOTING 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 AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES IN THE FORM OF IM VOTING 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 AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

8. 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.

9. 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.

10. Each holder and beneficial owner of a Rule 144A Note, by acceptance of its Rule 144A Note or its interest in a Note, shall be deemed to understand and acknowledge that failure to provide the Issuer or any Paying Agent with the applicable U.S. federal income tax certifications (generally, a U.S. Internal Revenue Service Form W 9 (or successor applicable form) in the case of a person that is a "United States person" within the meaning of section 7701(a)(30) of the Code or an appropriate U.S. Internal Revenue Service Form W 8 (or successor applicable form) in the case of a person that is not a "United States person" within the meaning of section 7701(a)(30) of the Code) may result in U.S. federal back up withholding from payments in respect of such Note.

11. With respect to the Subordinated Notes, if the purchaser is not a United States person (as defined in section 7701(a)(30) of the Code), such purchaser is not purchasing the Notes 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.

12. With respect to the Subordinated Notes, if the purchaser is not a United States person (as defined in section 7701(a)(30) of the Code), such purchaser either (x) is not a bank extending credit pursuant to a loan agreement in the ordinary course of its lending business (within the meaning of section 881(c)(3)(A) of the Code) or (y) 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.

13. The purchaser agrees to provide the Issuer any information reasonably requested and necessary (in the sole determination of the Issuer) for the Issuer (or its agent) in order to permit the Issuer to comply with sections 1471-1474 of the Code (including any voluntary agreement or intergovernmental agreement entered into with a tax authority thereunder) and any analogous non-U.S. law. It understands and acknowledges that the Issuer or an agent may provide such information and any other information concerning its investment in the Notes to the U.S. Internal Revenue Service and any other applicable non-U.S. tax authority.

14. The purchaser understands and acknowledges that the Issuer has the right, under the Trust Deed, (1) to compel any beneficial owner of an interest in the Notes that fails to comply with the requirements of clause (13) above, to sell its interest in such Notes, or may sell such interest on behalf of such owner and (2) to make any amendments to the Trust Deed to enable the Issuer to comply with FATCA (or any voluntary agreement entered into with a tax authority pursuant thereto).

15. The purchaser understands and acknowledges that the Issuer has the right, under the Conditions of the Notes, to withhold up to 30 per cent. on all payments made to any beneficial owner of an interest in the Notes that fails to comply with the requirements of clause (13) above.

16. 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.

17. The purchaser understands and acknowledges that the Issuer may receive a list of participants holding positions in the securities from one or more book-entry depositories.

18. With respect to the Subordinated Notes, each holder of such Notes will agree that such Subordinated Notes may not be offered, sold, resold, delivered or transferred other than to "professional market parties" (*professionele marktpartijen*) within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) that do not qualify as "public" (within the meaning of article 4(1) of the CRR) and the rules promulgated thereunder or any subsequent legislation replacing that regulation, and, if resident or domiciled in The Netherlands, other than to qualified investors within the meaning of the Dutch Act on Financial Supervision (*Wet op het financieel toezicht*).

Regulation S Notes

Each purchaser of Regulation S Notes will be deemed to have made the representations set forth in clauses (4), (6) and (10) to (18) (inclusive) above (except that references to Rule 144A Notes shall be deemed to be references to Regulation S Notes and references to Rule 144A Global Certificates shall be deemed to be references to Regulation S Global Certificates) 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. It agrees, for the benefit of the Issuer, the Initial Purchaser and any of their 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 (i) to a person (A) 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 (B) that constitutes a QP; or (ii) 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.

ANY LOSSES IN THE ISSUER WILL BE BORNE SOLELY BY INVESTORS IN THE ISSUER AND NOT BY THE INVESTMENT MANAGER OR ITS AFFILIATES; THEREFORE, THE INVESTMENT MANAGER'S LOSSES IN THE ISSUER WILL BE LIMITED TO LOSSES ATTRIBUTABLE TO THE "OWNERSHIP INTERESTS" (AS DEFINED IN THE VOLCKER RULE) IN THE ISSUER HELD BY THE INVESTMENT MANAGER AND ANY AFFILIATE IN ITS CAPACITY AS INVESTOR IN THE ISSUER. PROSPECTIVE INVESTORS IN THE ISSUER SHOULD READ THE FINAL PROSPECTUS BEFORE INVESTING IN THE ISSUER. THE OWNERSHIP INTERESTS IN THE COVERED FUND ARE NOT INSURED BY THE UNITED STATES FEDERAL DEPOSIT INSURANCE CORPORATION AND ARE NOT DEPOSITS, OBLIGATIONS OF, OR ENDORSED OR GUARANTEED IN ANY WAY, BY ANY BANKING ENTITY. THE ROLE OF THE INVESTMENT MANAGER AND ITS AFFILIATES AND EMPLOYEES IN SPONSORING AND PROVIDING SERVICES TO THE COVERED FUND IS DESCRIBED HEREIN.

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 UNDER 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 $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), €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, IF A VIOLATION OF (V) TO (Z) OCCURS, 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 NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT 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 BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) ("**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 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 NOTES 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 OR DISPOSITION OF SUCH NOTES (OR INTERESTS 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 NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT

SELL OR TRANSFER SUCH NOTES (OR INTERESTS THEREIN) TO AN ACQUIRER ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIRER 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 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.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND THE SUBORDINATED NOTES IN THE FORM OF REGULATION S GLOBAL CERTIFICATES ONLY*] [ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT AND WARRANT THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER AND PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), 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 THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL NON-U.S. OR OTHER 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 INVESTMENT 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 ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). OTHER THAN ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT AND WARRANT THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND, OTHER THAN WITH RESPECT TO THE RETENTION NOTES, HOLDS SUCH CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE, AS APPLICABLE, IN THE FORM OF A DEFINITIVE CERTIFICATE; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, 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 THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY SIMILAR LAW, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY 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**" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS

DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE 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.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION 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 THE SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER AND THE TRANSFER AGENTS (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON AND (3) THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") 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 THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL NON-U.S. OR OTHER 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 INVESTMENT 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 ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS

STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "**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**" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE 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. NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

THE FAILURE TO PROVIDE THE ISSUER AND ANY PAYING AGENT WITH THE APPLICABLE U.S. FEDERAL INCOME TAX CERTIFICATIONS (GENERALLY, A U.S. INTERNAL REVENUE SERVICE FORM W 9 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS A "**UNITED STATES PERSON**" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE OR AN APPLICABLE U.S. INTERNAL REVENUE SERVICE FORM W 8 (OR SUCCESSOR APPLICABLE FORM) IN THE CASE OF A PERSON THAT IS NOT A "**UNITED STATES PERSON**" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE) MAY RESULT IN U.S. FEDERAL BACK UP WITHHOLDING FROM PAYMENTS TO THE HOLDER IN RESPECT OF THIS NOTE.

EACH HOLDER AND EACH BENEFICIAL OWNER OF A RATED NOTE, BY ACCEPTANCE OF SUCH RATED NOTE, OR ITS INTEREST IN A RATED NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, SUCH RATED NOTE AS DEBT FOR U.S. FEDERAL INCOME TAX PURPOSES.

EACH HOLDER AND EACH BENEFICIAL OWNER OF A SUBORDINATED NOTE REPRESENTED BY THIS CERTIFICATE, BY ACCEPTANCE OF SUCH NOTE, OR ITS INTEREST IN SUCH NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, SUCH NOTE AS EQUITY FOR U.S. FEDERAL INCOME TAX PURPOSES.

THE RATED NOTES MAY 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 COLLATERAL ADMINISTRATOR AT THE BANK OF NEW YORK MELLON S.A./N.V., DUBLIN BRANCH, 4TH FLOOR HANOVER BUILDING, WINDMILL LANE, DUBLIN 2, IRELAND.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES IN THE FORM OF IM NON-VOTING NOTES OR IM EXCHANGEABLE NON-VOTING 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 AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES IN THE FORM OF IM VOTING 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 AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

4. The purchaser acknowledges that the Issuer, the Initial Purchaser, the Arranger, the Retention Holder, the Trustee, the Investment Manager or the Collateral Administrator and their agents and Affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

5. The purchaser understands that the Regulation S Notes may not, at any time, be held by, or on behalf of, U.S. Persons.

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 144 A Notes**	
	ISIN	Common Code	ISIN	Common Code
Class A IM Voting Notes	XS1223422715	122342271	XS1223423952	122342395
Class A IM Exchangeable Non-Voting Notes	XS1223428597	122342859	XS1223430650	122343065
Class A IM Non-Voting Notes	XS1223423283	122342328	XS1223424414	122342441
Class B IM Voting Notes	XS1223429488	122342948	XS1223431039	122343103
Class B IM Exchangeable Non-Voting Notes	XS1223429561	122342956	XS1223431112	122343111
Class B IM Non-Voting Notes	XS1223423440	122342344	XS1223424687	122342468
Class C IM Voting Notes	XS1223429991	122342999	XS1223431468	122343146
Class C IM Exchangeable Non-Voting Notes	XS1223430064	122343006	XS1223431542	122343154
Class C IM Non-Voting Notes	XS1223424091	122342409	XS1223424844	122342484
Class D IM Voting Notes	XS1223430148	122343014	XS1223431625	122343162
Class D IM Exchangeable Non-Voting Notes	XS1223430221	122343022	XS1223431898	122343189
Class D IM Non-Voting Notes	XS1223430494	122343049	XS1223431971	122343197
Class E Notes	XS1223423523	122342352	XS1223424331	122342433
Class F Notes	XS1223423796	122342379	XS1223424257	122342425
Subordinated Notes	XS1223424174	122342417	XS1223424927	122342492

Listing

Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and to trading on its regulated 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 €12,200.

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in The Netherlands (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 Managing Directors of the Issuer passed on 1 June 2015.

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 19 November 2014 and there has been no material adverse change in the financial position or prospects of the Issuer since its incorporation on 19 November 2014.

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.

Accounts

Since the date of its incorporation, other than entering into certain documentation, 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 (if applicable) in respect of any warehouse agreements, any asset/forward sale or purchase agreements or trade confirmations which may be entered into in respect of the acquisition of (or commitment to acquire) certain assets to be comprised in the Portfolio on or prior to the Issue Date and has not produced accounts.

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 2015. 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 Potential Event of Default (as defined in the Trust Deed) 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 (e) and (g) 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 Articles of Association of the Issuer;

(b) the Trust Deed (which includes the form of each Note of each Class);

(c) the Agency Agreement;

(d) the Investment Management and Collateral Administration Agreement;

(e) each Monthly Report;

(f) the Risk Retention Letter;

(g) each Payment Date Report;

(h) the Euroclear Security Agreement;

(i) the Issuer Management Agreement; and

(j) each Hedge Agreement.

Enforceability of Judgments

The Issuer is a private company with limited liability incorporated under the laws of The Netherlands. None of the Managing Directors are residents of the United States, and all or a substantial portion of the assets of the Issuer and such persons are located outside of the United States. 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.

Foreign Language

The language of the Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct meaning may be ascribed to them under applicable law.

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ANNEX A

FORM OF ERISA CERTIFICATE

The purpose of this ERISA Certificate (this "**Certificate**") is, among other things, to (i) endeavour to ensure that less than 25 per cent. of the value of the [Class E Notes] [Class F Notes] [Subordinated Notes] (determined separately by class) issued by Jubilee CLO 2015-XV B.V. (the "**Issuer**") is held by (a) an employee benefit plan that is subject to the fiduciary responsibility provisions of Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), (b) a plan that is subject to Section 4975 of the Internal Revenue Code of 1986 (the "**Code**") or (c) any entity whose underlying assets include "**plan assets**" by reason of any such employee benefit plan's or plan's investment in the entity (collectively, "**Benefit Plan Investors**"), (ii) obtain from you certain representations and agreements and (iii) provide you with certain related information with respect to your acquisition, holding or disposition of [Class E Notes] [Class F Notes] [Subordinated Notes]. By signing this Certificate, you agree to be bound by its terms.

Please be aware that the information contained in this Certificate is not intended to constitute advice and the examples given below are not intended to be, and are not, comprehensive. You should contact your own counsel if you have any questions in completing this Certificate. Capitalised terms not defined in this Certificate shall have the meanings ascribed to them in the Trust Deed.

If a box is not checked, you are agreeing that the applicable Section does not, and will not, apply to you.

1. ☐ **Employee Benefit Plans Subject to ERISA or the Code**. We, or the entity on whose behalf we are acting, are an "employee benefit plan" within the meaning of Section 3(3) of ERISA that is subject to the fiduciary responsibility provisions of Title I of ERISA or a "plan" within the meaning of Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code.

   Examples: (i) tax qualified retirement plans such as pension, profit sharing and section 401(k) plans, (ii) welfare benefit plans such as accident, life and medical plans, (iii) individual retirement accounts or "IRAs" and "Keogh" plans and (iv) certain tax-qualified educational and savings trusts.

2. ☐ **Entity Holding Plan Assets**. We, or the entity on whose behalf we are acting, are an entity or fund whose underlying assets include "plan assets" by reason of a Benefit Plan Investor's investment in such entity.

   Examples: (i) an insurance company separate account, (ii) a bank collective trust fund and (iii) a hedge fund or other private investment vehicle where 25 per cent. or more of the value of any class of its equity is held by Benefit Plan Investors.

   If you check Box 2, please indicate the maximum percentage of the entity or fund that will constitute "**plan assets**" for purposes of Title I of ERISA or Section 4975 of the Code: ______ per cent.

   An entity or fund that cannot provide the foregoing percentage hereby acknowledges that for purposes of determining whether Benefit Plan Investors own less than 25 per cent. of the value of [Class E Notes] [Class F Notes] [Subordinated Notes], 100 per cent. of the assets of the entity or fund will be treated as "**plan assets.**"

   ERISA and the regulations promulgated thereunder are technical. Accordingly, if you have any questions regarding whether you may be an entity described in this Section 2, you should consult with your counsel.

3. ☐ **Insurance Company General Account**. We, or the entity on whose behalf we are acting, are an insurance company purchasing the [Class E Notes] [Class F Notes] [Subordinated Notes] with funds from our or their general account (i.e., the insurance company's corporate investment portfolio), whose assets, in whole or in part, constitute "plan assets" under Section 401(a) of ERISA for purposes of 29 C.F.R. Section 2510.3-101 as modified by Section 3(42) of ERISA (the "**Plan Asset Regulations**").

   If you check Box 3, please indicate the maximum percentage of the insurance company general account that will constitute "plan assets" under Section 401(a) of ERISA for purposes of conducting the 25 per

cent. test under the Plan Asset Regulations: ____ per cent.. **IF YOU DO NOT INCLUDE ANY PERCENTAGE IN THE BLANK SPACE, YOU WILL BE COUNTED AS IF YOU FILLED IN 100 PER CENT. IN THE BLANK SPACE.**

4. ☐ **None of Sections (1) Through (3) Above Apply**. We, or the entity on whose behalf we are acting, are a person that does not fall into any of the categories described in Sections (1) to (3) above. If, after the date hereof, any of the categories described in Sections (1) to (3) above would apply, we will promptly notify the Issuer of such change.

5. **No Prohibited Transaction**. If we checked any of the boxes in Sections (1) to (3) above, we represent, warrant and agree that our acquisition, holding and disposition of the [Class E Notes] [Class F Notes] [Subordinated Notes] do not and will not constitute or give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

6. **Not Subject to Similar Law and No Violation of Other Plan Law**. If we are a governmental, church, non-U.S. or other plan, we represent, warrant and agree that (a) we are not subject to any federal, state, local non-U.S. or other 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 Investment 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 ERISA or Section 4975 of the Code, and (b) our acquisition, holding and disposition of the [Class E Notes] [Class F Notes] [Subordinated Notes] do not and will not constitute or give rise to a non-exempt violation of any law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code.

7. ☐ **Controlling Person**. We are, or we are acting on behalf of any of: (i) the Investment Manager, (ii) any person that has discretionary authority or control with respect to the assets of the Issuer, (iii) any person who provides investment advice for a fee (direct or indirect) with respect to such assets or (iv) any "affiliate" of any of the above persons. "**Affiliate**" shall have the meaning set forth in the Plan Asset Regulations. Any of the persons described in the first sentence of this Section 7 is referred to in this Certificate as a "Controlling Person."

   Note: We understand that, for purposes of determining whether Benefit Plan Investors hold less than 25 per cent. of the value of the [Class E Notes] [Class F Notes] [Subordinated Notes], the [Class E Notes] [Class F Notes] [Subordinated Notes] held by Controlling Persons (other than Benefit Plan Investors) are required to be disregarded.

   Compelled Disposition. We acknowledge and agree that:

   (i) if any representation that we made hereunder is subsequently shown to be false or misleading or our beneficial ownership otherwise causes a violation of the 25 per cent. Limitation, the Issuer shall, promptly after such discovery, send notice to us demanding that we transfer our interest to a person that is not a Non-Permitted ERISA Holder within fourteen calendar days after the date of such notice;

   (ii) if we fail to transfer our [Class E Notes] [Class F Notes] [Subordinated Notes], the Issuer shall have the right, without further notice to us, to sell our [Class E Notes] [Class F Notes] [Subordinated Notes] or our interest in the [Class E Notes] [Class F Notes] [Subordinated Notes] to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Holder on such terms as the Issuer may choose;

   (iii) 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 [Class E Notes] [Class F Notes] [Subordinated Notes] and selling such securities to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion;

   (iv) by our acceptance of an interest in the [Class E Notes] [Class F Notes] [Subordinated Notes], we agree to cooperate with the Issuer to effect such transfers;

(v) the proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to us; and

(vi) the terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and the Issuer shall not be liable to us as a result of any such sale or the exercise of such discretion.

8. **Continuing Representation; Reliance**. We acknowledge and agree that the representations contained in this Certificate shall be deemed made on each day from the date we make such representations through and including the date on which we dispose of our interests in the [Class E Notes] [Class F Notes] [Subordinated Notes]. We understand and agree that the information supplied in this Certificate will be used and relied upon by the Issuer to determine that Benefit Plan Investors own or hold less than 25 per cent. of the value of the [Class E Notes] [Class F Notes] [Subordinated Notes] upon any subsequent transfer of the [Class E Notes] [Class F Notes] [Subordinated Notes] in accordance with the Trust Deed.

9. **Further Acknowledgement and Agreement**. We acknowledge and agree that (i) all of the assurances contained in this Certificate are for the benefit of the Issuer, the Trustee, Merrill Lynch International and the Investment Manager as third party beneficiaries hereof, (ii) copies of this Certificate and any information contained herein may be provided to the Issuer, the Trustee, Merrill Lynch International, the Investment Manager, affiliates of any of the foregoing parties and to each of the foregoing parties' respective counsel for purposes of making the determinations described above and (iii) any acquisition or transfer of [Class E Notes] [Class F Notes] [Subordinated Notes] by us that is not in accordance with the provisions of this Certificate shall be null and void from the beginning, and of no legal effect.

10. **Future Transfer Requirements**.

Transferee Letter and its Delivery. We acknowledge and agree that (i) a transferee of a Class E Note, Class F Note or a Subordinated Note (or any interest therein) in the form of a Reg S Global Certificate or a 144A Global Certificate will be deemed to represent (among other things) that is not a Benefit Plan Investor or a Controlling Person and (ii) if such a transferee holds such a Note in the form of a Definitive Certificate it may acquire such Class E Note, Class F Note or Subordinated Note if such transferee: (A) obtains the written consent of the Issuer; and (B) provides an ERISA Certificate to the Issuer as to its status as Benefit Plan Investor or Controlling Person. Notwithstanding the foregoing, the Retention Holder, provided it has given an ERISA Certificate to the Issuer, may hold Class E Notes, Class F Notes or Subordinated Notes which are Retention Notes in the form of Definitive Certificates, Regulation S Global Certificates or Rule 144A Global Certificates. Any attempt to transfer in violation of this section will be null and void from the beginning, and of no legal effect.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate.

______________________ [Insert Purchaser's Name]

By:
Name:
Title:
Dated:

This Certificate relates to EUR ________ of [Class E Notes] [Class F Notes] [Subordinated Notes]

Based upon the representations and certifications contained herein, the Issuer by countersigning this certificate, hereby consents to the purchase by [Insert Purchaser's Name] of EUR ________ of [Class E Notes] [Class F Notes] [Subordinated Notes].

____

By:
Name:
Title:
Dated:

ANNEX B

MOODY'S RECOVERY RATES

The "**Moody's Recovery Rate**" is, with respect to any Collateral Debt Obligation, as of any Measurement Date, 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;

(b) if the preceding clause does not apply to the Collateral Debt Obligation, except with respect to Corporate Rescue Loan, the rate determined pursuant to the table below based on the number of rating sub-categories difference between the Collateral Debt Obligation's Moody's Rating and its Moody's Default Probability Rating (for purposes of clarification, if the Moody's Rating is higher than the Moody's Default Probability Rating, the rating sub-categories difference will be positive and if it is lower, negative):

Number of Moody's Ratings Sub-categories Difference Between the Moody's Rating and the Moody's Default Probability Rating	Moody's Secured Senior Loans	Secured Senior Bonds; Second Lien Loans; Mezzanine Obligations	All other Collateral Debt Obligations
+2 or more	60%	55%	45%
+1	50%	45%	35%
0	45%	35%	30%
-1	40%	25%	25%
-2	30%	15%	15%
-3 or less	20%	5%	5%

(c) 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.

* If such Collateral Debt Obligation is publicly rated by Moody's and does not have both a CFR and an Assigned Moody's Rating, such Collateral Debt Obligation will be deemed to be an Unsecured Senior Obligation or High-Yield Bond for purposes of this table.

ANNEX C

S&P RECOVERY RATES

(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:

S&P Recovery Rating of Collateral Debt Obligation	**Initial Rated Note Rating**						
	Range from published reports	**"AAA"**	**"AA"**	**"A"**	**"BBB"**	**"BB"**	**"B/CCC"**
1+	100	75%	85%	88%	90%	92%	95%
1	90-100	65%	75%	80%	85%	90%	95%
2	80-90	60%	70%	75%	81%	86%	90%
2	70-80	50%	60%	66%	73%	79%	80%
3	60-70	40%	50%	56%	63%	67%	70%
3	50-60	30%	40%	46%	53%	59%	60%
4	40-50	27%	35%	42%	46%	48%	50%
4	30-40	20%	26%	33%	39%	40%	40%
5	20-30	15%	20%	24%	26%	28%	30%
5	10-20	5%	10%	15%	20%	20%	20%
6	0-10	2%	4%	6%	8%	10%	10%

S&P Recovery Rate

(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 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" and below**
1+	18%	20%	23%	26%	29%	31%
1	18%	20%	23%	26%	29%	31%
2	18%	20%	23%	26%	29%	31%
3	12%	15%	18%	21%	22%	23%
4	5%	8%	11%	13%	14%	15%

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Rated Note Rating					
5	2%	4%	6%	8%	9%	10%
6	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" and below
1+	16%	18%	21%	24%	27%	29%
1	16%	18%	21%	24%	27%	29%
2	16%	18%	21%	24%	27%	29%
3	10%	13%	15%	18%	19%	20%
4	5%	5%	5%	5%	5%	5%
5	2%	2%	2%	2%	2%	2%
6	0%	0%	0%	0%	0%	0%
			S&P Recovery Rate			

For Obligors Domiciled in Group C

S&P Recovery Rating of the Senior Debt Instrument	Initial Rated Note Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	13%	16%	18%	21%	23%	25%
1	13%	16%	18%	21%	23%	25%
2	13%	16%	18%	21%	23%	25%
3	8%	11%	13%	15%	16%	17%
4	5%	5%	5%	5%	5%	5%
5	2%	2%	2%	2%	2%	2%
6	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 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, B and C

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Rated Note Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	8%	8%	8%	8%	8%	8%
1	8%	8%	8%	8%	8%	8%
2	8%	8%	8%	8%	8%	8%
3	5%	5%	5%	5%	5%	5%
4	2%	2%	2%	2%	2%	2%
5	0%	0%	0%	0%	0%	0%
6	0%	0%	0%	0%	0%	0%
	S&P Recovery Rate					

(b) 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, C or D:

Priority Category	Initial Rated Note Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and "CCC"
Secured Senior Loans (excluding Cov-Lite Loans)						
Group A	50%	55%	59%	63%	75%	79%
Group B	45%	49%	53%	58%	70%	74%
Group C	39%	42%	46%	49%	60%	63%
Group D	17%	19%	27%	29%	31%	34%
Secured Senior Loans that are Cov-Lite Loans and Secured Senior Bonds						
Group A	41%	46%	49%	53%	63%	67%
Group B	37%	41%	44%	49%	59%	62%
Group C	32%	35%	39%	41%	50%	53%
Group D	17%	19%	27%	29%	31%	34%
Unsecured Senior Obligations, Mezzanine Obligations, Second Lien Loans and High Yield Bonds (if unsubordinated)						
Group A	18%	20%	23%	26%	29%	31%
Group B	16%	18%	21%	24%	27%	29%
Group C	13%	16%	18%	21%	23%	25%
Group D	10%	12%	14%	16%	18%	20%
High Yield Bonds (if subordinated)						
Group A	8%	8%	8%	8%	8%	8%
Group B	10%	10%	10%	10%	10%	10%
Group C	9%	9%	9%	9%	9%	9%
Group D	5%	5%	5%	5%	5%	5%
	S&P Recovery Rate					

Group A: Australia, Denmark, Finland, Hong Kong, Ireland, The Netherlands, New Zealand, Norway, Singapore, Sweden, UK.

Group B: Austria, Belgium, Canada, Germany, Israel, Japan, Luxembourg, Portugal, South Africa, Switzerland, U.S.

Group C: Brazil, France, Greece, Italy, Mexico, South Korea, Spain, Taiwan, Turkey, United Arab Emirates.

Group D: Argentina, Chile, Kazakhstan, Russia, Ukraine, others.

For the purposes of the above,

"**S&P Recovery Rate**" means in respect of each Collateral Debt Obligation and each Class of Rated Notes the recovery rate determined in accordance with the Portfolio Management Agreement or 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 in this Annex C.

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ANNEX B

S&P DEFAULT RATE TABLE

Tenor	Rating									
	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

Tenor	Rating								
	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

Tenor	Rating								
	BB+	BB	BB-	B+	B	B-	CCC+	CCC	CCC-
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

ANNEX C

S&P REGIONAL DIVERSITY MEASURE TABLE

Region Code	Region Name	Country Code	Country Name
17	Africa: Eastern	253	Djibouti
17	Africa: Eastern	291	Eritrea
17	Africa: Eastern	251	Ethiopia
17	Africa: Eastern	254	Kenya
17	Africa: Eastern	252	Somalia
17	Africa: Eastern	249	Sudan
12	Africa: Southern	247	Ascension
12	Africa: Southern	267	Botswana
12	Africa: Southern	266	Lesotho
12	Africa: Southern	230	Mauritius
12	Africa: Southern	264	Namibia
12	Africa: Southern	248	Seychelles
12	Africa: Southern	27	South Africa
12	Africa: Southern	290	St. Helena
12	Africa: Southern	268	Swaziland
13	Africa: Sub-Saharan	244	Angola
13	Africa: Sub-Saharan	226	Burkina Faso
13	Africa: Sub-Saharan	257	Burundi
13	Africa: Sub-Saharan	225	Cote d'lvoire
13	Africa: Sub-Saharan	240	Equatorial Guinea
13	Africa: Sub-Saharan	241	Gabonese Republic
13	Africa: Sub-Saharan	220	Gambia
13	Africa: Sub-Saharan	233	Ghana
13	Africa: Sub-Saharan	224	Guinea
13	Africa: Sub-Saharan	245	Guinea-Bissau
13	Africa: Sub-Saharan	231	Liberia
13	Africa: Sub-Saharan	261	Madagascar
13	Africa: Sub-Saharan	265	Malawi
13	Africa: Sub-Saharan	223	Mali
13	Africa: Sub-Saharan	222	Mauritania
13	Africa: Sub-Saharan	258	Mozambique
13	Africa: Sub-Saharan	227	Niger
13	Africa: Sub-Saharan	234	Nigeria
13	Africa: Sub-Saharan	250	Rwanda
13	Africa: Sub-Saharan	239	Sao Tome & Principe
13	Africa: Sub-Saharan	221	Senegal
13	Africa: Sub-Saharan	232	Sierra Leone
13	Africa: Sub-Saharan	255	Tanzania/Zanzibar
13	Africa: Sub-Saharan	228	Togo
13	Africa: Sub-Saharan	256	Uganda
13	Africa: Sub-Saharan	260	Zambia

Region Code	Region Name	Country Code	Country Name
13	Africa: Sub-Saharan	263	Zimbabwe
13	Africa: Sub-Saharan	229	Benin
13	Africa: Sub-Saharan	237	Cameroon
13	Africa: Sub-Saharan	238	Cape Verde Islands
13	Africa: Sub-Saharan	236	Central African Republic
13	Africa: Sub-Saharan	235	Chad
13	Africa: Sub-Saharan	269	Comoros
13	Africa: Sub-Saharan	242	Congo-Brazzaville
13	Africa: Sub-Saharan	243	Congo-Kinshasa
3	Americas: Andean	591	Bolivia
3	Americas: Andean	57	Colombia
3	Americas: Andean	593	Ecuador
3	Americas: Andean	51	Peru
3	Americas: Andean	58	Venezuela
4	Americas: Mercosur and Southern Cone	54	Argentina
4	Americas: Mercosur and Southern Cone	55	Brazil
4	Americas: Mercosur and Southern Cone	56	Chile
4	Americas: Mercosur and Southern Cone	595	Paraguay
4	Americas: Mercosur and Southern Cone	598	Uruguay
1	Americas: Mexico	52	Mexico
2	Americas: Other Central and Caribbean	1264	Anguilla
2	Americas: Other Central and Caribbean	1268	Antigua
2	Americas: Other Central and Caribbean	1242	Bahamas
2	Americas: Other Central and Caribbean	246	Barbados
2	Americas: Other Central and Caribbean	501	Belize
2	Americas: Other Central and Caribbean	441	Bermuda
2	Americas: Other Central and Caribbean	284	British Virgin Islands
2	Americas: Other Central and Caribbean	345	Cayman Islands
2	Americas: Other Central and Caribbean	506	Costa Rica
2	Americas: Other Central and Caribbean	809	Dominican Republic
2	Americas: Other Central and Caribbean	503	El Salvador
2	Americas: Other Central and Caribbean	473	Grenada
2	Americas: Other Central and Caribbean	590	Guadeloupe
2	Americas: Other Central and Caribbean	502	Guatemala
2	Americas: Other Central and Caribbean	504	Honduras
2	Americas: Other Central and Caribbean	876	Jamaica
2	Americas: Other Central and Caribbean	596	Martinique
2	Americas: Other Central and Caribbean	505	Nicaragua
2	Americas: Other Central and Caribbean	507	Panama
2	Americas: Other Central and Caribbean	869	St. Kitts/Nevis
2	Americas: Other Central and Caribbean	758	St. Lucia
2	Americas: Other Central and Caribbean	784	St. Vincent & Grenadines
2	Americas: Other Central and Caribbean	597	Suriname
2	Americas: Other Central and Caribbean	868	Trinidad & Tobago
2	Americas: Other Central and Caribbean	649	Turks & Caicos

Region Code	Region Name	Country Code	Country Name
2	Americas: Other Central and Caribbean	297	Aruba
2	Americas: Other Central and Caribbean	53	Cuba
2	Americas: Other Central and Caribbean	599	Curacao
2	Americas: Other Central and Caribbean	767	Dominica
2	Americas: Other Central and Caribbean	594	French Guiana
2	Americas: Other Central and Caribbean	592	Guyana
2	Americas: Other Central and Caribbean	509	Haiti
2	Americas: Other Central and Caribbean	664	Montserrat
101	Americas: U.S. and Canada	2	Canada
101	Americas: U.S. and Canada	1	USA
7	Asia: China, Hong Kong, Taiwan	86	China
7	Asia: China, Hong Kong, Taiwan	852	Hong Kong
7	Asia: China, Hong Kong, Taiwan	886	Taiwan
5	Asia: India, Pakistan and Afghanistan	93	Afghanistan
5	Asia: India, Pakistan and Afghanistan	91	India
5	Asia: India, Pakistan and Afghanistan	92	Pakistan
6	Asia: Other South	880	Bangladesh
6	Asia: Other South	975	Bhutan
6	Asia: Other South	960	Maldives
6	Asia: Other South	977	Nepal
6	Asia: Other South	94	Sri Lanka
8	Asia: Southeast, Korea and Japan	673	Brunei
8	Asia: Southeast, Korea and Japan	855	Cambodia
8	Asia: Southeast, Korea and Japan	62	Indonesia
8	Asia: Southeast, Korea and Japan	81	Japan
8	Asia: Southeast, Korea and Japan	856	Laos
8	Asia: Southeast, Korea and Japan	60	Malaysia
8	Asia: Southeast, Korea and Japan	95	Myanmar
8	Asia: Southeast, Korea and Japan	850	North Korea
8	Asia: Southeast, Korea and Japan	63	Philippines
8	Asia: Southeast, Korea and Japan	65	Singapore
8	Asia: Southeast, Korea and Japan	82	South Korea
8	Asia: Southeast, Korea and Japan	66	Thailand
8	Asia: Southeast, Korea and Japan	84	Vietnam
8	Asia: Southeast, Korea and Japan	670	East Timor
105	Asia-Pacific: Australia and New Zealand	61	Australia
105	Asia-Pacific: Australia and New Zealand	682	Cook Islands
105	Asia-Pacific: Australia and New Zealand	64	New Zealand
9	Asia-Pacific: Islands	679	Fiji
9	Asia-Pacific: Islands	689	French Polynesia
9	Asia-Pacific: Islands	686	Kiribati
9	Asia-Pacific: Islands	691	Micronesia
9	Asia-Pacific: Islands	674	Nauru
9	Asia-Pacific: Islands	687	New Caledonia
9	Asia-Pacific: Islands	680	Palau

Region Code	Region Name	Country Code	Country Name
9	Asia-Pacific: Islands	675	Papua New Guinea
9	Asia-Pacific: Islands	685	Samoa
9	Asia-Pacific: Islands	677	Solomon Islands
9	Asia-Pacific: Islands	676	Tonga
9	Asia-Pacific: Islands	688	Tuvalu
9	Asia-Pacific: Islands	678	Vanuatu
15	Europe: Central	420	Czech Republic
15	Europe: Central	372	Estonia
15	Europe: Central	36	Hungary
15	Europe: Central	371	Latvia
15	Europe: Central	370	Lithuania
15	Europe: Central	48	Poland
15	Europe: Central	421	Slovak Republic
16	Europe: Eastern	355	Albania
16	Europe: Eastern	387	Bosnia and Herzegovina
16	Europe: Eastern	359	Bulgaria
16	Europe: Eastern	385	Croatia
16	Europe: Eastern	383	Kosovo
16	Europe: Eastern	389	Macedonia
16	Europe: Eastern	382	Montenegro
16	Europe: Eastern	40	Romania
16	Europe. Eastern	381	Serbia
16	Europe: Eastern	90	Turkey
14	Europe: Russia & CIS	374	Armenia
14	Europe: Russia & CIS	994	Azerbaijan
14	Europe: Russia & CIS	375	Belarus
14	Europe: Russia & CIS	995	Georgia
14	Europe: Russia & CIS	8	Kazakhstan
14	Europe: Russia & CIS	996	Kyrgyzstan
14	Europe: Russia & CIS	373	Moldova
14	Europe: Russia & CIS	976	Mongolia
14	Europe: Russia & CIS	7	Russia
14	Europe: Russia & CIS	992	Tajikistan
14	Europe: Russia & CIS	993	Turkmenistan
14	Europe: Russia & CIS	380	Ukraine
14	Europe: Russia & CIS	998	Uzbekistan
102	Europe: Western	376	Andorra
102	Europe: Western	43	Austria
102	Europe: Western	32	Belgium
102	Europe: Western	357	Cyprus
102	Europe: Western	45	Denmark
102	Europe: Western	358	Finland
102	Europe: Western	33	France
102	Europe: Western	49	Germany
102	Europe: Western	30	Greece

Region Code	**Region Name**	**Country Code**	**Country Name**
102	Europe: Western	354	Iceland
102	Europe: Western	353	Ireland
102	Europe: Western	101	Isle of Man
102	Europe: Western	39	Italy
102	Europe: Western	102	Liechtenstein
102	Europe: Western	352	Luxembourg
102	Europe: Western	356	Malta
102	Europe: Western	377	Monaco
102	Europe: Western	31	Netherlands
102	Europe: Western	47	Norway
102	Europe: Western	351	Portugal
102	Europe: Western	386	Slovenia
102	Europe: Western	34	Spain
102	Europe: Western	46	Sweden
102	Europe: Western	41	Switzerland
102	Europe: Western	44	United Kingdom
10	Middle East: Gulf States	973	Bahrain
10	Middle East: Gulf States	98	Iran
10	Middle East: Gulf States	964	Iraq
10	Middle East: Gulf States	965	Kuwait
10	Middle East: Gulf States	968	Oman
10	Middle East: Gulf States	974	Qatar
10	Middle East: Gulf States	966	Saudi Arabia
10	Middle East: Gulf States	971	United Arab Emirates
10	Middle East: Gulf States	967	Yemen
11	Middle East: MENA	213	Algeria
11	Middle East: MENA	20	Egypt
11	Middle East: MENA	972	Israel
11	Middle East MENA	962	Jordan
11	Middle East: MENA	961	Lebanon
11	Middle East: MENA	212	Morocco
11	Middle East: MENA	970	Palestinian Settlements
11	Middle East: MENA	963	Syrian Arab Republic
11	Middle East: MENA	216	Tunisia
11	Middle East: MENA	1212	Western Sahara
11	Middle East: MENA	218	Libya

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