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BNPP AM EURO CLO 2017 B.V.

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

€215,250,000 Class A Senior Secured Floating Rate Notes due 2031
€38,500,000 Class B Senior Secured Floating Rate Notes due 2031
€20,500,000 Class C Senior Secured Deferrable Floating Rate Notes due 2031
€17,500,000 Class D Senior Secured Deferrable Floating Rate Notes due 2031
€22,850,000 Class E Senior Secured Deferrable Floating Rate Notes due 2031
€9,450,000 Class F Senior Secured Deferrable Floating Rate Notes due 2031
€37,600,000 Subordinated Notes due 2031

The assets securing the Notes (as defined below) will consist of a portfolio of primarily Senior Loans and Mezzanine Loans managed by BNP PARIBAS ASSET MANAGEMENT France SAS (the "**Collateral Manager**").

BNPP AM Euro CLO 2017 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) on or about 12 September 2017 (the "**Issue Date**").

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, 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 (the "**Trust Deed**") dated the Issue Date, made between (amongst others) the Issuer and BNY Mellon Corporate Trustee Services Limited in its capacity as trustee (the "**Trustee**").

Interest on the Notes will be payable quarterly in arrear on 15 January, 15 April, 15 July and 15 October prior to the occurrence of a Frequency Switch Event (as defined herein) and semi-annually in arrear on 15 January and 15 July (where the Payment Date (as defined herein) immediately following the occurrence of a Frequency Switch Event falls in either January or July) or 15 April and 15 October (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either April 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 15 April 2018 and ending on and including 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.

The 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 only approves this Offering Circular as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange plc (the "**Irish Stock Exchange**") for the Notes to be admitted to the Irish Stock Exchange's official list (the "**Official List**") and to 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**"). Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of the Markets in Financial Instruments Directive and/or which are to be offered to the public in any member state of the European Economic Area.

This Prospectus comprises a "prospectus" for the purposes of the Prospectus Directive.

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 on the Notes after making payments to other creditors of the Issuer ranking in priority 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 herein)) of the Issuer will not be available for payment of such shortfall, all claims in respect of such shortfall will be extinguished. See Condition 4(c) (*Limited Recourse and Non-Petition*).

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

The Notes are being offered by the Issuer through BNP Paribas, London Branch 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 other prices as may be negotiated at the time of sale.

BNP PARIBAS
Sole Arranger and Initial Purchaser

The date of this Prospectus is 8 September 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 Collateral Manager accepts responsibility for the information contained in the sections of this document headed "Risk Factors — Conflicts of Interest — Certain Conflicts of Interest Involving or Relating to BNP PARIBAS ASSET MANAGEMENT France SAS and its Affiliates" and "Description of the Collateral Manager". To the best of the knowledge and belief of the Collateral Manager (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Collateral Administrator accepts responsibility for the information contained in the section of this document headed "Description of the Collateral Administrator". To the best of the knowledge and belief of the Collateral Administrator (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Retention Holder accepts responsibility for the information contained in the section of this document headed "Description of the Retention Holder and Retention Requirements — Description of the Retention Holder". To the best of the knowledge and belief of the Retention Holder (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Except for the sections of this document headed "Risk Factors — Conflicts of Interest — Certain Conflicts of Interest Involving or Relating to BNP PARIBAS ASSET MANAGEMENT France SAS and its Affiliates" and "Description of the Collateral Manager", in the case of the Collateral Manager, "Description of the Collateral Administrator", in the case of the Collateral Administrator and "Description of the Retention Holder and Retention Requirements — Description of the Retention Holder", in the case of the Retention Holder, neither the Collateral Manager, the Collateral Administrator nor the Retention Holder nor any of their respective 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 Sole Arranger, the Initial Purchaser, the Trustee and the Collateral Manager (save in respect of the sections headed "Risk Factors — Conflicts of Interest — Certain Conflicts of Interest Involving or Relating to BNP PARIBAS ASSET MANAGEMENT France SAS and its Affiliates" and "Description of the Collateral Manager"), the Collateral Administrator (save in respect of the section headed "Description of the Collateral Administrator"), the Retention Holder (save in respect of the section headed "Description of the Retention Holder and Retention Requirements — Description of the Retention Holder"), any Agent, any Hedge Counterparty (or any of their respective Affiliates) or any other party has separately verified the information contained in this Prospectus and, accordingly, none of the Sole Arranger, the Initial Purchaser, the Trustee, the Collateral Manager (save as specified above), the Collateral Administrator (save as specified above), the Retention Holder (save as specified above), any Agent, 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 Notes or their distribution or accepts any responsibility or liability therefor. None of the Sole Arranger, the Initial Purchaser, the Trustee, the Collateral Manager, the Collateral Administrator, the Retention Holder, any Agent, any Hedge Counterparty (or any of their respective Affiliates) 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 (in the case of the Collateral Manager, other than pursuant to the Collateral Management and Administration Agreement) 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 Sole Arranger, the Initial Purchaser, the Trustee, the Collateral Manager, the Collateral Administrator, the Retention Holder, 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 Sole Arranger, the Initial Purchaser, the Collateral 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, the Sole Arranger 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 Sole Arranger, the Initial Purchaser, the Trustee, the Collateral 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) and any references to "**US Dollar**", "**US dollar**", "**USD**", "**U.S. Dollar**" or "**$**" shall mean the lawful currency of the United States of America and any reference to "**GBP**" and "**Sterling**" shall mean the lawful currency of the United Kingdom.

Each of Moody's Investors Service Ltd and Fitch Ratings Limited are established in the EU and are registered under Regulation (EC) No 1060/2009 (as amended).

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

In connection with the issue of the Notes, no stabilisation will take place and none of the Initial Purchaser, the Sole Arranger or any Affiliate thereof will be acting as stabilising manager in respect of the Notes.

E.U. RETENTION REQUIREMENTS

Subject to and as further described in "*Description of the Retention Holder and Retention Requirements*", in accordance with the EU Retention Requirements, the Collateral Manager (in its capacity as the Retention Holder and an "originator" pursuant to the EU Retention Requirements) will undertake pursuant to the Retention Undertaking Letter that on the Issue Date it will subscribe for and hold on an ongoing basis for so long as any Class of Notes remains Outstanding, not less than 5 per cent. of the Principal Amount Outstanding of each Class of Notes then Outstanding (the "**Retention Notes**").

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 is sufficient to comply with the EU Retention Requirements or any other applicable legal, regulatory or other requirements. Notwithstanding anything in this Prospectus to the contrary, none of the Issuer, the Collateral Manager, the Sole Arranger, the Initial Purchaser, the Retention Holder, the Collateral Administrator, the Trustee, their respective Affiliates or any other person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose and no such person shall have any liability to any prospective investor or any other person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the EU Retention Requirements, the implementing provisions in respect of the EU Retention Requirements in their relevant jurisdiction or any other applicable legal, regulatory or other requirements other than, in the case of the Retention Holder, where such failure results from a breach of the Retention Undertaking Letter by the Retention Holder. Each prospective investor in the Notes 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 the EU Retention Requirements or any similar requirements of which it is uncertain. See "*Risk Factors – Regulatory Initiatives*" and "*Description of the Retention Holder and Retention Requirements*".

U.S. RISK RETENTION RULES

The Collateral Manager (acting as sponsor) is required under Section 15G of the Exchange Act (the "**U.S. Risk Retention Rules**") to ensure that it or its majority-owned affiliate as defined under the U.S. Risk Retention Rules (a "**Majority-Owned Affiliate**") acquires and retains an economic interest in the credit risk of the interests created by the Issuer on the Issue Date. The Collateral Manager will satisfy the U.S. Risk Retention Rules by (i) acquiring an "eligible vertical interest" (an "**EVI**") equal to not less than 5 per cent. of each Class of Notes issued by the Issuer on the Issue Date and (ii) complying with all legal requirements imposed on the "sponsor" of a "securitization transaction", including without limitation, retaining the EVI, in accordance with the U.S. Risk Retention Rules. See "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention*" and "*Description of the Retention Holder and Retention Requirements*".

VOLCKER RULE

Although the Issuer intends to qualify for the "loan securitization exclusion" from the prohibitions of Section 619 of the Dodd-Frank Act and the corresponding implementing rules (the "**Volcker Rule**"), 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.

Information as to placement within the United States

The Rule 144A Notes of each Class (the "**Rule 144A Notes**") will be sold only to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act ("**Rule 144A**")) ("**QIBs**") that are also "qualified purchasers" for 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 Bank SA/NV ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") or, in the case of Rule 144A Definitive Certificates, the registered holder thereof. The Regulation S Notes of each Class (the "**Regulation S Notes**") sold outside the United States to non-U.S. Persons in reliance on Regulation S ("**Regulation S**") under the Securities Act will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Regulation S Global Certificate**" and together, the "**Regulation S Global Certificates**"), 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 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 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. 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 QIB/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/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*" below.

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**"). The Issuer, the Sole Arranger and the Initial Purchaser reserve 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, the Sole Arranger, 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 SECURITIES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN EACH JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS SUCH SECURITIES 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 SOLE ARRANGER, THE INITIAL PURCHASER, THE COLLATERAL MANAGER, THE TRUSTEE OR THE COLLATERAL ADMINISTRATOR SPECIFIED HEREIN (OR ANY OF THEIR RESPECTIVE AFFILIATES) SHALL HAVE ANY RESPONSIBILITY THEREFOR.

THE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933 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.

FORWARD-LOOKING STATEMENTS

This Prospectus contains statements that constitute forward-looking statements. Such statements appear in a number of places in this Prospectus, including, but not limited to, under the caption "*Risk Factors*". These forward-looking statements can be identified by the use of forward-looking terminology, such as the words "expects", "may", "intends", "should" or "anticipates", or the negative or other variations of those terms. These statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results and performance of the Notes, the Issuer or the Portfolio to differ materially from any future results or performance expressed or implied in the forward-looking statements. These risks, uncertainties and other factors include, among others, general economic and business conditions, currency exchange and interest rate fluctuations, governmental, statutory, regulatory or administrative initiatives affecting the Issuer or the Collateral Manager and other factors that may be referred to in this Prospectus. Some of the most significant of these risks, uncertainties and other factors are discussed under the caption "*Risk Factors*", and you are encouraged to carefully consider those factors prior to making an investment decision.

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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 the "Conditions" 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 "Conditions" below and references to "Conditions" are to the "Conditions" below. For a discussion of certain risk factors to be considered in connection with an investment in the Notes, see "Risk Factors".*

Issuer..... BNPP AM Euro CLO 2017 B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands.

Collateral Manager ..... BNP PARIBAS ASSET MANAGEMENT France SAS.

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

Sole Arranger..... BNP Paribas, London Branch.

Initial Purchaser..... BNP Paribas, London Branch.

Collateral Administrator ..... The Bank of New York Mellon S.A./N.V., Dublin Branch.

Notes

Class of Notes	Principal Amount	Initial Stated Interest Rate[1]	Alternative Stated Interest Rate[2]	Moody's Ratings of at least[3]	Fitch Ratings of at least[3]	Maturity Date	Issue Price[4]
A	€215,250,000	3 month EURIBOR + 0.91%	6 month EURIBOR + 0.91%	"Aaa (sf)"	"AAAsf"	15 October 2031	100%
B	€38,500,000	3 month EURIBOR + 1.55%	6 month EURIBOR + 1.55%	"Aa2 (sf)"	"AAsf"	15 October 2031	100%
C	€20,500,000	3 month EURIBOR + 2.15%	6 month EURIBOR + 2.15%	"A2 (sf)"	"Asf"	15 October 2031	100%
D	€17,500,000	3 month EURIBOR + 2.95%	6 month EURIBOR + 2.95%	"Baa2 (sf)"	"BBBsf"	15 October 2031	100%
E	€22,850,000	3 month EURIBOR + 4.70%	6 month EURIBOR + 4.70%	"Ba2 (sf)"	"BBsf"	15 October 2031	94.05%
F	€9,450,000	3 month EURIBOR + 6.25%	6 month EURIBOR + 6.25%	"B2 (sf)"	"B-sf"	15 October 2031	91.08%
Subordinated Notes	€37,600,000	Residual	Residual	Not Rated	Not Rated	15 October 2031	100.00%

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 six month Euro deposits.

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 prior to the Maturity Date to, but excluding, the Maturity Date will, if such final Payment Date prior to the Maturity Date falls in July 2031, be determined by reference to three month EURIBOR.

3 The ratings assigned to the Class A Notes and Class B Notes by Fitch address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, Class D Notes, Class E Notes and Class F Notes by Fitch address the ultimate payment of principal and interest. The ratings assigned to the Rated Notes by Moody's address the expected loss posed to investors by the legal final maturity on the Maturity Date. A security rating is not a recommendation to buy, sell or hold 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 ("**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.

4 The Initial Purchaser may offer the Notes at other prices as may be negotiated at the time of sale.

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

(a) to non-U.S. Persons in "offshore transactions" in reliance on Regulation S; and

(b) to U.S. Persons who are QIB/QPs in reliance on Rule 144A.

Distributions on the Notes

Payment Dates ..... 15 January, 15 April, 15 July and 15 October prior to the occurrence of a Frequency Switch Event and 15 January and 15 July (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either January or July) or 15 April and 15 October (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either April or October) following the occurrence of a Frequency Switch Event, in each year commencing on 15 April 2018 and ending on and including the Maturity Date (subject to any earlier redemption of the Notes and in each case to adjustment for non-Business Days in accordance with the Conditions).

The Issuer and the Collateral Manager may (and must if so directed by an Ordinary Resolution of the Subordinated Noteholders) designate a date other than a scheduled Payment Date as a Payment Date *provided that, inter alia,* it falls on a Business Day falling on or after the redemption in full of all Classes of Rated Notes (see Condition 3(m) (*Unscheduled Payment Dates*)).

Stated Note 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 in April 2018) in accordance with the Interest Priority of Payments.

Non-payment and Deferral of Interest ..... Failure on the part of the Issuer to pay the Interest Amounts due and payable on the Class A Notes or Class B Notes pursuant to Condition 6 (*Interest*) and the Priorities of Payments will constitute an Event of Default if such failure continues for a period of at least five Business Days (or, in the case of administrative error only, at least seven Business Days), save as the result of any deduction therefrom or the imposition of any withholding tax thereon as set out in Condition 9 (*Taxation*).

Failure on the part of the Issuer to pay the Interest Amounts due and payable on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes pursuant to Condition 6 (*Interest*) and the Priorities of Payments will not constitute an Event of Default. To the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes are not made on the relevant Payment Date in such circumstances, an amount equal to such unpaid interest on such Classes of Notes will be added to the principal amount of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (as applicable), and 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 Class of Notes. See Condition 6(c) (*Deferral of Interest*).

Non-payment of amounts due and payable on the Subordinated Notes as a result of the insufficiency of available Interest Proceeds will not constitute an Event of Default.

Redemption of the Notes..... Principal payments on the Notes may be made in the following circumstances:

(a) on the Maturity Date (see Condition 7(a) (*Final Redemption*));

(b) on any Payment Date following a Determination Date on and after the Effective Date on which a Coverage Test is not satisfied (to the extent such test is required to be satisfied on such Determination Date) (see Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*));

(c) if, as at the sixth Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, Interest Proceeds and thereafter Principal Proceeds shall be applied in the redemption of the Rated Notes on such Payment Date and thereafter on each subsequent Payment Date (to the extent required) in accordance with and subject to the Priorities of Payments, in each case until the Rated Notes are 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*));

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

(e) on any Payment Date during the Reinvestment Period at the discretion of the Collateral Manager (acting on behalf of the Issuer), following written certification by the Collateral Manager to the Trustee (on which the Trustee may rely without further enquiry) that, using commercially reasonable endeavours, it has been unable, for a period of at least 30 consecutive Business Days, to identify Substitute Collateral Obligations that are deemed appropriate by the Collateral Manager in its sole discretion in sufficient amounts to permit the investment of all or a portion of the funds then available for reinvestment (see Condition 7(d) (*Special Redemption*));

(f) in whole (with respect to all Classes of Rated Notes) but not in part on any Business Day following the expiry of the Non-Call Period from Sale Proceeds or Refinancing Proceeds (or any combination thereof) at the option of the holders of the Subordinated Notes acting by way of Ordinary Resolution (see Condition 7(b)(i)(A) (*Optional Redemption in Whole – Subordinated Noteholders*));

(g) in part by the redemption in whole of one or more Classes of Rated Notes from Refinancing Proceeds on any Business Day following the expiry of the Non-Call Period if (i) the Collateral Manager proposes to the Subordinated Noteholders at least 30 days prior to the Redemption Date to redeem such Class or Classes of Rated Notes, subject to the Subordinated Noteholders (acting by way of Ordinary Resolution) approving such proposal or (ii) the

Subordinated Noteholders (acting by way of Ordinary Resolution) direct the Issuer to redeem such Class or Classes of Rated Notes, in each case, as long as the Class or Classes of Rated Notes to be redeemed each represents not less than the entire Class of such Rated Notes (see Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*));

(h) the Subordinated Notes may be redeemed in whole but not in part on any Business Day at the direction of the Collateral Manager or the holders of the Subordinated Notes (acting by way of Ordinary Resolution) following the redemption in full of all Classes of Rated Notes (see Condition 7(b)(viii) (*Optional Redemption of Subordinated Notes*));

(i) on any Business Day following the occurrence of a Collateral Tax Event in whole (with respect to all Classes of Rated Notes) but not in part at the option of the Subordinated Noteholders acting by way of Ordinary Resolution (see Condition 7(b)(i)(B) (*Optional Redemption in Whole – Subordinated Noteholders*));

(j) in whole (with respect to all Classes of Notes) but not in part on any Business Day following the expiry of the Non-Call Period if the Collateral Principal Amount is less than 15 per cent. of the Target Par Amount and if directed in writing by the Collateral Manager (see Condition 7(b)(iii) (*Optional Redemption in Whole – Clean-up Call*));

(k) in whole (with respect to all Classes of Notes) but not in part on any Payment Date at the option of the Controlling Class or the holders of the Subordinated Notes, 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 take steps which would prevent the continuation of the Note Tax Event; (ii) certain minimum time periods; and (iii) that such Note Tax Event would affect payments of interest or principal in respect of the Controlling Class or, as the case may be, the Subordinated Notes (see Condition 7(g) (*Redemption Following Note Tax Event*)); and

(l) at any time following an acceleration of the Notes after the occurrence of an Event of Default which is continuing and has not been cured or waived (see Condition 10 (*Events of Default*)).

Non-Call Period..... During the period from the Issue Date up to, but excluding, 15 October 2019 (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 100 per cent. of the Principal Amount Outstanding thereof or, if greater, its *pro rata* share (calculated in accordance with paragraph (EE) of the Interest Priority of

Payments and paragraph (W) of the Principal Priority of Payments or paragraph (BB) 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 Payments.

Priorities of Payments ..... Prior to the delivery of an Acceleration Notice (deemed or otherwise) in accordance with Condition 10(b) (*Acceleration*) or following the delivery of an Acceleration Notice which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Event of Default*), and other than in connection with an Optional Redemption in whole or in part pursuant to Condition 7(b) (*Optional Redemption*) or in connection with a redemption in whole pursuant to Condition 7(g) (*Redemption Following Note Tax Event*), Interest Proceeds will be applied in accordance with the Interest Priority of Payments and Principal Proceeds will be applied in accordance with the Principal Priority of Payments. Upon any redemption in whole of the Notes in accordance with Condition 7(b) (*Optional Redemption*) or in accordance with Condition 7(g) (*Redemption Following Note Tax Event*) or following the delivery of an Acceleration Notice (deemed or otherwise) in accordance with Condition 10(b) (*Acceleration*) which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Event of Default*), Interest Proceeds, Principal Proceeds and (as relevant, following any enforcement of the Collateral) the net proceeds of enforcement of the security over the Collateral (other than with respect to any Counterparty Downgrade Collateral or amounts standing to the credit of the Interest Account which represent Hedge Issuer Tax Credit Payments which are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payments in accordance with the Hedge Agreement and/or Condition 3(k)(v) (*Counterparty Downgrade Collateral Accounts*)) will be applied in accordance with the Post-Acceleration Priority of Payments, in each case as described in the Conditions. Upon any redemption in part of a Class or Classes of Notes, Refinancing Proceeds and Partial Redemption Interest Proceeds will be applied in accordance with the Partial Redemption Priority of Payments on any Partial Redemption Date. See Condition 3(n) (*Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date*).

Collateral Management Fees

Senior Management Fee ..... 0.15 per cent. per annum of the Collateral Principal Amount. See "*Description of the Collateral Management and Administration Agreement —Compensation of the Collateral Manager*".

Subordinated Management Fee ..... 0.35 per cent. per annum of the Collateral Principal Amount. See "*Description of the Collateral Management and Administration Agreement —Compensation of the Collateral Manager*".

Incentive Collateral Management Fee ..... The Collateral Manager will be entitled to an Incentive Collateral Management Fee on each Payment Date on which the Incentive Collateral Management Fee IRR Threshold of 12 per cent. has been met or surpassed and, on such Payment Date and each subsequent Payment Date an amount equal to 20 per cent. of any Interest Proceeds and Principal Proceeds (after any payment required to satisfy the Incentive Collateral Management Fee IRR Threshold) that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the Priorities of Payments and/or pursuant to Condition 3(k)(vi) (*Supplemental Reserve Account*) will be applied to pay the Incentive Collateral Management Fee as of such

Payment Date. See "*Description of the Collateral Management and Administration Agreement —Compensation of the Collateral Manager*".

Security for the Notes

General..... The Notes will be secured in favour of the Trustee for the benefit of the Secured Parties by security over, *inter alia*, a portfolio of Collateral Obligations. 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..... Subject to satisfaction of the Hedging Condition, the Issuer may enter into Hedge Transactions to hedge interest rate or currency risk around or after the Issue Date.

Subject to satisfaction of the Hedging Condition, the Collateral Manager, on behalf of the Issuer (subject as provided below), will arrange, in relation to any Non-Euro Obligation, for the Issuer to enter into a Currency Hedge Transaction in relation to such Non-Euro Obligation. The Currency Hedge Transaction will pay Euro in return for the United States dollars, pounds sterling or any other lawful currency of a Qualifying Country payable under such Non-Euro Obligation.

Subject to satisfaction of the Hedging Condition, the Collateral Manager, on behalf of the Issuer (subject as provided below), will be authorised to enter into Interest Rate Hedge Transactions that are interest rate protection transactions entered into under an Interest Rate Hedge Agreement (which may be an interest rate swap, an interest rate cap or an interest rate floor transaction) in order to mitigate certain interest rate mismatches which may arise in the Portfolio from time to time.

The Issuer will be required to obtain Rating Agency Confirmation prior to entering into any hedging arrangements after the Issue Date unless it is a Form Approved Hedge. See "*Hedging Arrangements*".

Collateral Manager ..... Pursuant to the Collateral Management and Administration Agreement, the Collateral Manager will be required to act as the Issuer's collateral manager with respect to the Portfolio, to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described therein. Pursuant to the Collateral Management and Administration Agreement, the Issuer will delegate authority to the Collateral Manager to carry out certain functions in relation to the Portfolio and any Hedge Transactions. See "*Description of the Collateral Management and Administration Agreement*" and "*The Portfolio*".

The Collateral Manager has selected the Collateral Obligations purchased by the Issuer on or prior to the Issue Date pursuant to the Warehouse Arrangements and has independently reviewed and assessed each such Collateral Obligation.

Purchase of Collateral Obligations

Initial Portfolio..... The Collateral Manager (on behalf of the Issuer) has purchased a portfolio of Collateral Obligations prior to the Issue Date pursuant to the Warehouse Arrangements.

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 Collateral Manager, subject to the Effective Date Determination Requirements having been satisfied or Rating Agency Confirmation of the Initial Ratings of the Rated Notes having otherwise been obtained; and

(b) 15 April 2018 or, if such date is not a Business Day, then on the next succeeding Business Day, unless it would fall in the following month, in which case it shall be the immediately preceding Business Day,

(such earlier date, the "**Effective Date**" and such period, the "**Initial Investment Period**"), the Collateral Manager (on behalf of the Issuer) will be required to use reasonable endeavours to select additional Collateral Obligations for purchase by the Issuer, subject to the Eligibility Criteria and certain other restrictions.

Reinvestment Period..... During the period from and including the Issue Date up to and including the earlier of:

(a) the end of the Due Period preceding the Payment Date falling in 15 October 2021, or, if such day is not a Business Day, then the next succeeding Business Day, unless it would fall in the following month, in which case it shall be the immediately preceding Business Day;

(b) the date of the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) (*provided that* the related Acceleration Notice has not been rescinded or annulled in accordance with Condition 10(c) (*Curing of Event of Default*)); and

(c) the date on which the Collateral Manager reasonably believes and notifies the Issuer, the Rating Agencies and the Trustee that it can no longer reinvest in additional Collateral Obligations or Substitute Collateral Obligations in accordance with the Reinvestment Criteria,

(such period, the "**Reinvestment Period**"), the Collateral Manager (on behalf of the Issuer) will be required to use reasonable endeavours to purchase Substitute Collateral Obligations meeting the Eligibility Criteria and the Reinvestment Criteria.

Sale of Collateral Obligations... Subject to the limits described in the Collateral Management and Administration Agreement, the Collateral Manager, on behalf of the Issuer, will be permitted to dispose of any Collateral Obligation during and after the Reinvestment Period. See "*The Portfolio – Discretionary Sales*".

Reinvestment in Collateral Obligations..... Subject to the limits described in the Collateral Management and Administration Agreement and Principal Proceeds being available for such purpose, the Collateral Manager, on behalf of the Issuer, will be required to use reasonable endeavours to purchase Substitute Collateral Obligations meeting the Eligibility Criteria and the Reinvestment Criteria during the Reinvestment Period.

Following expiry of the Reinvestment Period, only Sale Proceeds from the sale of Credit Risk Obligations and Credit Improved Obligations and Unscheduled Principal Proceeds received after the Reinvestment Period will be available to be reinvested by the Collateral Manager on behalf of the Issuer, in Substitute Collateral Obligations. The purchase of each

Substitute Collateral Obligation will be subject to certain conditions including satisfaction of the Eligibility Criteria and the Reinvestment Criteria. See "*The Portfolio – Sale of Issue Date Collateral Obligations*" and "*The Portfolio – Reinvestment of Collateral Obligations*".

Eligibility Criteria ..... In order to qualify as a Collateral Obligation, an obligation must satisfy certain specified Eligibility Criteria. Each obligation will only be required to satisfy the Eligibility Criteria at the time the Issuer (or the Collateral Manager, acting on behalf of the Issuer) enters into a binding commitment to purchase such obligation save for an Issue Date Collateral Obligation, which must only satisfy the Eligibility Criteria on the Issue Date. See "*The Portfolio – Eligibility Criteria*".

Restructured Obligations ..... In order for a Restructured Obligation to continue to qualify as a Collateral Obligation for the purposes of the calculation of the Portfolio Profile Tests, the Collateral Quality Tests, the Coverage Tests and the Reinvestment Par Value Test, such Restructured Obligation must satisfy the Restructured Obligation Criteria as at the applicable Restructuring Date. See "*The Portfolio – Restructured Obligations*".

Collateral Quality Tests ..... The Collateral Quality Tests will comprise the following:

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

(a) the Moody's Minimum Diversity Test;

(b) the Moody's Minimum Weighted Average Recovery Rate Test;

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

(d) the Moody's Minimum Weighted Average Floating Spread Test.

For so long as any of the Rated Notes are rated by Fitch and are Outstanding:

(a) the Fitch Maximum Weighted Average Rating Factor Test;

(b) the Fitch Minimum Weighted Average Recovery Rate Test; and

(c) the Fitch Minimum Weighted Average Spread Test.

For so long as any of the Rated Notes are Outstanding, the 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 Obligations specified in the Portfolio Profile Tests and summarily displayed in the table below will be determined by reference to the Collateral Principal Amount):

		Minimum	**Maximum**
(a)	Secured Senior Loans in aggregate (plus the Balances standing to the credit of the Principal Account and the Unused Proceeds Account).....	95.0%	N/A
(b)	Unsecured Senior Loans, Second Lien Loans and/or Mezzanine Loans in aggregate.....	N/A	5.0%

(c)	Collateral Obligations of a single Obligor.....	N/A	(i) in the case of all Collateral Obligations, not more than 2.0% of the Collateral Principal Amount shall be the obligation of any single Obligor, *provided that* not more than three Obligors may each represent up to 2.5% of the Collateral Principal Amount, (ii) in the case of Secured Senior Loans, not more than 2.0% of the Collateral Principal Amount shall be the obligation of any single Obligor, *provided that* not more than three Obligors may each represent up to 2.5% of the Collateral Principal Amount and (iii) in the case of Collateral Obligations which are not Secured Senior Loans, not more than 2.0% of the Collateral Principal Amount shall be the obligation of any single Obligor
(d)	Collateral Obligations of the 10 largest Obligors.....	N/A	22.5%
(e)	Non-Euro Obligations (conditional upon a corresponding Currency Hedge Transaction being entered into by the Issuer).....	N/A	20.0%
(f)	Participations.....	N/A	20.0%
(g)	Current Pay Obligations.....	N/A	5.0%
(h)	Unfunded Amounts/Funded Amounts under Revolving Obligations/Delayed Drawdown Collateral Obligations.....	N/A	5.0%
(i)	Fitch Rating of "CCC+" or lower.....	N/A	7.5%
(j)	Moody's Rating of "Caa1" or lower.....	N/A	7.5%
(k)	Bridge Loans.....	N/A	2.5%
(l)	DIP Loans.....	N/A	3.0%
(m)	PIK Obligations.....	N/A	5.0%
(n)	Interest paid less frequently than semi annually (other than PIK Obligations)....	N/A	5.0%
(o)	Fitch Industry Classification.....	N/A	(i) the largest Fitch Industry Category may comprise up to 17.5% of the Collateral Principal Amount, (ii) the second largest Fitch Industry Category may comprise up to 15% of the Collateral Principal Amount and (iii) the largest three Fitch Industry Categories may together comprise up to 40.0% of the Collateral Principal Amount
(p)	Obligations with a Moody's Rating	N/A	10.0%

	which is derived from an S&P Rating....		
(q)	Domicile of Obligors 1.....	N/A	10.0% Domiciled in countries or jurisdictions with a country ceiling below "AAA" by Fitch unless Rating Agency Confirmation from Fitch is obtained
(r)	Domicile of Obligors 2.....	N/A	10.0% Domiciled in countries with a Moody's local currency country risk ceiling between "A1" and "A3"
(s)	Cov-Lite Loans.....	N/A	20.0%
(t)	Obligations of Obligors with a total original indebtedness of less than EUR200,000,000 (or its equivalent in any currency as at the relevant date of determination).....	N/A	10.0%
(u)	Discount Obligations.....	N/A	20.0%

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 or after the Effective Date; and (ii) the Interest Coverage Tests, on or 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	129.43%
C	120.62%
D	113.97%
E	106.25%
F	104.01%

Class	Required Interest Coverage Ratio
A/B	120.00%
C	112.00%
D	105.00%
E	102.00%

If a Coverage Test is not satisfied on any Determination Date on or after the Effective Date or, in the case of an Interest Coverage Test, on the Determination Date preceding the second Payment Date or any Determination Date thereafter, then on the Payment Date following such Determination Date, Interest Proceeds and thereafter Principal Proceeds will be used, subject to the Priorities of Payments, to the extent necessary and available, to redeem each Class of Notes in sequential order until the relevant Coverage Test is satisfied if recalculated immediately following such redemption.

Reinvestment Par Value Test..... If 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 the Rated Notes is not at least equal to 104.51% as of any Measurement 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) through (V) (inclusive) of the Interest Priority of Payments, on the related Payment Date, Interest Proceeds shall be paid to the Principal Account to be applied for the purpose of the acquisition of additional Collateral Obligations in an amount equal to the lesser of (1) 50.0% 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) through (V) (inclusive) of the Interest Priority of Payments, would be sufficient to cause the Reinvestment Par Value Test to be satisfied.
Collateral Obligations	Obligations in respect of which the Issuer or the Collateral 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 Obligations in the calculation of the Portfolio Profile Tests, the Collateral Quality Tests, the Coverage Tests, the Reinvestment Par Value Test and all other tests and criteria applicable to the Portfolio at any time as if such purchase had been completed. Obligations in respect of which the Issuer or the Collateral Manager, on behalf of the Issuer, has entered into a binding commitment to sell, but which have not yet settled, shall not be included as Collateral Obligations in the calculation of the Portfolio Profile Tests, the Collateral Quality Tests, the Coverage Tests, the Reinvestment Par Value Test and all other tests and criteria applicable to the Portfolio at any time (including, for the avoidance of doubt, on any Measurement Date) as if such sale had been completed.
Authorised Denominations	The Notes of each Class will be issued in minimum denominations of €250,000 and integral multiples of €1,000 in excess thereof.
Form, Registration and Transfer of the Notes.....	The Regulation S Notes of each Class (other than, in certain circumstances, the Class E Notes, Class F Notes and Subordinated Notes as described below) sold outside the United States to non-U.S. Persons in reliance on Regulation S will be represented on issue by beneficial interests in one or more Regulation S Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank 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 (other than, in certain circumstances, the Class E Notes, Class F Notes and Subordinated Notes as described below) sold in reliance on Rule 144A to U.S. Persons, in each case, who are QIB/QPs will be represented on issue by one or more Rule 144A Global Certificates in fully registered form, without interest coupons or principal receipts deposited 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 and each transferee of a Class E Note, a Class F Note or a Subordinated Note either (a) will 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 or (b) may not acquire such Class E Note, Class F Note or Subordinated Note unless such transferee: (i) obtains the written consent of the Issuer; (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); and (iii) unless the written consent of the Issuer to the contrary is obtained, holds such Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate. No proposed transfer of Class E Notes, Class F Notes or Subordinated Notes (or interests therein) will be permitted or recognised if a transfer to a transferee will cause 25 per cent. or more of the total value of the Class E Notes, Class F Notes or Subordinated Notes (determined separately by each class of equity interest) to be held by Benefit Plan Investors, disregarding Class E Notes, Class F Notes or Subordinated Notes (or interests therein) held by Controlling Persons.

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

Governing Law	The Notes, the Trust Deed, the Collateral Management and Administration Agreement, the Agency and Account Bank Agreement, the Retention Undertaking Letter, any Reporting Delegation Agreement and all other Transaction Documents will be governed by English law (save for the Issuer Management Agreement, which is governed by the laws of The Netherlands).
Listing.....	This 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 and to trading on the Main Securities Market. The Main Securities Market is a regulated market for the purposes of the Markets in Financial Instruments Directive. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of the Markets in Financial Instruments Directive and/or which are to be offered to the public in any member state of the European Economic Area. This Prospectus comprises a "prospectus" for the purposes of the Prospectus Directive. This "prospectus" prepared pursuant to the Prospectus Directive will be available from the website of the Central Bank.
Tax Status.....	See "*Tax Considerations*".
Certain ERISA Considerations....	See "*Certain ERISA Considerations*".
Withholding Tax.....	No gross up of any payments will be payable to the Noteholders. See Condition 9 (*Taxation*).
Additional Issuances.....	Subject to certain conditions being satisfied, additional Notes of all existing Classes or of the Subordinated Notes may be issued and sold. See Condition 17 (*Additional Issuances*).
EU Retention Requirements.....	The Collateral Manager (in its capacity as the Retention Holder) will, pursuant to the Retention Undertaking Letter, undertake to acquire on the Issue Date and retain the Retention Notes in order to comply with the EU Retention Requirements. See "*Description of the Retention Holder and Retention Requirements*" and "*Risk Factors – Regulatory Initiatives*".
U.S. Credit Risk Retention	In order to comply with the U.S. Risk Retention Rules, the Collateral Manager (in its capacity as the Retention Holder) will acquire and retain an eligible vertical interest ("**EVI**") consisting of not less than 5 per cent. of the principal amount of the Notes of each Class issued by the Issuer on the Issue Date. See "*Description of the Retention Holder and Retention Requirements*" and "*Risk Factors – Regulatory Initiatives*".
Retention Holder Veto	No modification or any Resolution to approve any modification of the Eligibility Criteria, the Portfolio Profile Tests, the Collateral Quality Tests, the Reinvestment Criteria or any material changes to them, in each case that could affect the Retention Holder's ability to comply with the Retention Requirements (save for those that are made to ensure compliance with the Retention Requirements) will be effective without the consent in writing of the Retention Holder. See Condition 14(b)(x) (*Retention Holder Veto*).

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 "Conditions".

1. GENERAL

1.1. General

It is intended that the Issuer will invest in Collateral Obligations 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*). Neither the Sole Arranger, the Initial Purchaser, the Collateral Manager nor the Trustee undertake to review the financial condition or affairs of the Issuer (in the case of the Collateral Manager, other than pursuant to the Collateral Management and Administration Agreement) or (other than in the case of the Collateral Manager) the Collateral 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 Sole Arranger, the Initial Purchaser, the Collateral Manager 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, 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. In the event that such funds are not sufficient to pay the expenses incurred by the Issuer, the ability of the Issuer to operate effectively may be impaired, and it may not be able to defend or prosecute legal proceedings brought against it or which it might otherwise bring to protect its interests or be able to pay the expenses of legal proceedings against persons it has indemnified.

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

Legal, tax 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 the regulation of the same 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 futures 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. Reliance on Rating Agency Ratings

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") requires that U.S. 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.

1.6. Events in the CLO and Leveraged Finance Markets

Over the past several years, European financial markets have experienced volatility and have been adversely affected by concerns over economic contraction in certain EU member states, 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 "*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 leaving the Euro is impossible to predict, but is likely to be negative. The exit of one or more countries from the Euro zone could have a destabilising effect on all European economies and possibly the global economy as well.

Significant risks for the Issuer and investors exist as a result of the current economic conditions. These risks include, among other things, (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 not fully recovered from the effects of the global credit crisis. As well as reducing opportunities for the Issuer to purchase assets in the primary market, this is likely to increase the refinancing risk in respect of maturing assets. Although there have recently been signs that the primary market for certain financial products is recovering, particularly in the United States of America, the impact of the economic crisis on the primary market may adversely affect the flexibility of the Collateral Manager to invest and, ultimately, reduce the returns on the Notes to investors.

Difficult macro economic conditions may adversely affect the rating, performance and the realisation value of the Collateral. Default rates on loans and other investments may continue to fluctuate and accordingly the performance of many collateralised loan obligation ("**CLO**") transactions and other

types of investment vehicles or transactions 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, 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.

It is very likely that one of the effects of the global credit crisis and the failure of financial institutions will be an introduction of 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 Collateral 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 at the same time or to the same degree as such other recovering sectors.

1.7. Euro and Euro Zone Risk

The ongoing deterioration of the sovereign debt of several countries, together with the risk of contagion to other, more stable, countries, 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, Ireland, Italy, 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, which was activated by mutual agreement, to assume the role of the EFSF and the EFSM in providing external financial assistance to Euro zone countries from 1 July 2013.

Despite these measures, concerns persist regarding the growing risk that other Euro zone countries could be subject to an increase in borrowing costs and could face an economic crisis similar to that of Cyprus, Greece, Ireland, Italy, Portugal and Spain, together with the risk that some countries could leave the Euro zone (either voluntarily or involuntarily), 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, the Collateral (including the risks of currency losses arising out of redenomination and related haircuts on any affected assets) and the Notes. Should the Euro dissolve entirely, the legal and contractual consequences for holders of Euro-denominated obligations (including the Notes) 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.

1.8. UK Referendum on Membership of the European Union

On 23 June 2016, the UK held a referendum (the "**Referendum**") with respect to its continued membership of the EU. The result of the Referendum was a vote in favour of leaving the EU. Whilst the result of the Referendum itself is clear, the next steps of the UK executive and UK Parliament and the reaction of the other Member States is not.

Article 50 of the Treaty on European Union ("**Article 50**") provides that a Member State which decides to withdraw from the EU is required to notify the European Council of its intention to do so. If notice is given under Article 50 by a Member State, the EU will negotiate and conclude an agreement with such Member State, setting out the arrangements for its withdrawal. The UK gave formal notice of the withdrawal of the UK from the EU to the European Council on 29 March 2017.

Applicability of EU law in the UK

It is at present unclear what type of relationship between the UK and the EU will be established, or on what date (whether by the time when, or after, the UK ceases to be a member of the EU), or what the content of such a relationship would be. It is possible that a new relationship would preserve the applicability of certain EU rules (or equivalent rules) in the UK. At this time it is not possible to state with any certainty to what extent that might be so.

Following its service of notice under Article 50, the UK will cease to be a member of the EU upon the conclusion of a withdrawal agreement or, failing that, two years after the date of notification (unless the European Council agrees with the UK to extend this two year period). Until such date, EU law will remain in force in the UK. At this time it is not possible to state with any certainty what might be the terms and effective date of any withdrawal agreement or if any extensions to such two year period will be agreed.

Upon any withdrawal from the EU by the UK, and subject to agreement on (and the terms of) any future UK-EU relationship, EU law will cease to apply directly in the UK. This would be achieved by the UK ceasing to be party to the Treaty on European Union and the Treaty on the Functioning of the European Union, and by the parallel repeal of the European Communities Act 1972. However, many EU laws have been transposed into English law and these transposed laws will continue to apply until such time that they are repealed, replaced or amended. Over the years, English law has been devised to function in conjunction with EU law (in particular, laws relating to financial markets, financial services, prudential and conduct regulation of financial institutions, financial collateral, settlement finality and market infrastructure). As a result, depending on the terms of the UK's exit from the EU, substantial amendments to English law may occur. Consequently, English law may change and it is impossible at this time to predict the consequences on the Portfolio or the Issuer's business, financial condition, results of operations or prospects. Such changes could be materially detrimental to Noteholders.

Regulatory Risk

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

There can be no assurance that the terms of the UK's exit from the EU will include arrangements for the continuation of the existing passporting regime or mutual access rights to market infrastructure

and recognition of insolvency, bank recovery and resolution regimes. Such uncertainty could adversely impact the Issuer and, in particular, the ability of third parties to provide services to the Issuer, and could be materially detrimental to Noteholders.

Market Risk

Following the results of the Referendum, the financial markets have experienced volatility and disruption. It is not possible to predict whether such volatility and disruption will continue, and investors should consider the effect thereof on the market for securities such as the Notes and on the ability of Obligors to meet their obligations under the Collateral Obligations.

Investors should be aware that the result of the Referendum and any subsequent negotiations, notifications, withdrawal and changes to legislation may introduce potentially significant new uncertainties and instabilities in the financial markets. Such uncertainties and instabilities could have an adverse impact on the business, financial condition, results of operations and prospects of the Issuer, the Obligors, the Portfolio, the Collateral Manager and the other parties to the Transaction Documents and could therefore also be materially detrimental to Noteholders.

Exposure to Counterparties

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

Ratings Actions

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

The credit rating of a country affects the ratings of entities operating in its territory, and in particular the ratings of financial institutions. Accordingly, 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 Notes and therefore, the Noteholders.

1.9. Flip Clauses

The validity and enforceability of certain provisions in contractual priorities of payments (such as the 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 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 Supreme Court of the United Kingdom 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 United Kingdom "anti-deprivation" laws, stating that, provided such provisions form part of a commercial transaction entered into in good faith which does not have as its predominant purpose, or one of its main purposes the deprivation of the property of one of the parties on bankruptcy, the anti-deprivation principle was not breached by such provisions.

In contrast, 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.

On 28 June 2016, Judge Shelley Chapman in the same court ruled in a different group of proceedings commenced by the Lehman Brothers Chapter 11 debtors that that not all priority of payment provisions would be unenforceable *ipso facto* clauses under the U.S. Bankruptcy Code. Instead, the court identified two materially distinct approaches to such provisions. Where a counterparty's automatic right to payment priority ahead of the noteholders is “flipped” or modified upon, for example, such counterparty's default under the swap document, the court confirmed that such priority provisions were unenforceable *ipso facto* clauses. Conversely, the court held that priority provisions where no right of priority is established until after a termination event under the swap documents has occurred were not *ipso facto* clauses, and, therefore, fully enforceable. Moreover, even where the provisions at issue were *ipso facto* clauses, the court found that they were nonetheless enforceable under the U.S. Bankruptcy Code’s “safe harbour” provisions. Specifically, the court concluded that priority of distribution was a necessary part of liquidation, which the “safe harbour” provisions expressly protect. The court effectively limited the analysis in the BNY case to cases where the flip provisions are only in an indenture, and do not constitute part of the swap agreement. This judgment highlights the difference in approach taken between U.S. and English law on this subject, although it significantly reduces the practical differences in outcome. There remain several actions in the U.S. commenced by debtors of Lehman Brothers concerning the enforceability of flip clauses and this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies.

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

Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will include terms providing for the subordination of termination

payments in certain circumstances, there is a risk that the final outcome of the dispute in such judgments (including any recognition action by the English courts) may result in negative rating pressure in respect of the Notes. If any rating assigned to the Notes is lowered, the market value of the Notes may reduce.

1.10. LIBOR and EURIBOR Reform

The London Inter-Bank Offered Rate ("**LIBOR**") has been reformed, with developments including:

(a) the activities of administering a specified benchmark and of providing information in relation to a specified benchmark becoming regulated activities in the United Kingdom (LIBOR has been a specified benchmark since April 2013);

(b) ICE Benchmark Administration Limited becoming the LIBOR administrator in place of the British Bankers' Association in February 2014;

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

(d) the introduction of a LIBOR code of conduct for contributing banks.

ICE Benchmark Administration Limited intends to make further reforms to the submission methodology for LIBOR panel banks.

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 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) there may be a mismatch between the replacement rate of interest applicable to the affected Collateral 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 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 Obligations or the Notes and may take any actions in respect of LIBOR without regard to the effect of such actions on the Collateral Obligations or the Notes.

The Euro Interbank Offered Rate ("**EURIBOR**"), together with LIBOR, 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 proposal for a regulation (the "**Benchmark Regulation**") on indices used as benchmarks in financial instruments and financial contracts. The Benchmark Regulation was published in the Official Journal of the EU on 29 June 2016 and entered into force on 30 June 2016. It is directly applicable law across the EU. The majority of its provisions will not, however, apply until 1 January 2018.

The Benchmark Regulation applies principally to "administrators" and also, in some respects, to "contributors" and certain "users" of "benchmarks", and will, among other things, (i) require benchmark administrators to be authorised (or, if non-EU-based, to be subject to an equivalent regulatory regime) and make significant changes to the way in which benchmarks falling within scope of the Benchmark Regulation are governed (including reforms of governance and control

arrangements, obligations in relation to input data, certain transparency and recordkeeping requirements and detailed codes of conduct for contributors) and (ii) prevent certain uses of "benchmarks" provided by unauthorised administrators by supervised entities in the EU. The scope of the Benchmark Regulation is wide and, in addition to so-called "critical benchmark" indices, could also potentially apply to many interest rate and foreign exchange rate indices, equity indices and other indices (including "proprietary" indices or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments traded on a trading venue, financial contracts and investment funds. Benchmarks such as LIBOR or 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:

(i) 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;

(ii) if the applicable rate of interest on any Collateral 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 Obligation, which may include determination by the relevant calculation agent in its discretion; and

(iii) if the EURIBOR benchmarks referenced in the Condition 6 (*Interest*) is discontinued, interest on the Notes will be calculated under Condition 6(e)(i) (*Floating Rate of Interest*).

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

Any of the changes described above or any other significant change to the setting of LIBOR or EURIBOR could have a material adverse effect on the value of, and the amount payable under (i) any Collateral Obligations which pay interest linked to a LIBOR rate and (ii) the Notes.

If any proposed changes when implemented change the way in which LIBOR or EURIBOR is calculated with respect to floating rate Collateral Obligations, this could result in the rate of interest being lower than anticipated, which would adversely affect the value of the Notes. However, any proposed changes, if implemented, may also result in the rate of interest being higher than anticipated, which could therefore increase payments on the Notes. This could result in a decrease in the amounts available to be paid to the Subordinated Noteholders. As the substantial majority of the interest payments due on Collateral Obligations are expected to be calculated based upon EURIBOR or LIBOR and the Notes are likely to pay interest based upon EURIBOR or LIBOR, an inaccurate EURIBOR or LIBOR setting could have adverse effects on the Issuer and/or the holders of the Notes. Furthermore, questions surrounding the integrity in the process for determining EURIBOR or LIBOR may have other unforeseen consequences, including potential litigation against banks and/or obligors on loans, which could result in a material and adverse effect on the Issuer or the holders of the Notes.

Investors should consider these recent developments when making their investment decision with respect to the Notes.

1.11. 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 Sole Arranger, the Initial Purchaser, the Collateral Manager, the Agents 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 Sole Arranger, the Initial Purchaser, the Collateral Manager, the Agents 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 Sole Arranger, the Initial Purchaser, the Collateral Manager, the Agents or the Trustee to provide requested information or take such other actions as may be necessary or advisable for the Issuer, the Sole Arranger, the Initial Purchaser, the Collateral Manager, the Agents 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 Sole Arranger, the Initial Purchaser, the Collateral Manager, the Agents 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. Noteholders may also be obliged to provide information in respect of Requirements.

2. REGULATORY INITIATIVES

2.1. Basel III

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.

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

Investors in the Notes are responsible for analyzing their own regulatory position and none of the Issuer, the Sole Arranger, the Initial Purchaser, the Retention Holder, the Collateral 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.

2.2. EU Risk Retention and Due Diligence

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. These requirements apply or are planned

to apply pursuant to the CRR, Solvency II, AIFMD and the UCITS Directive. 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 on 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 (x) 5 per cent. of the nominal value of each of the tranches sold or transferred to investors; or (y) 5 per cent. of the nominal value of the securitised exposures. Failure to comply with one or more of the requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a penal capital charge on the notes acquired by the relevant investor. Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear.

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 Sole Arranger, the Initial Purchaser, the Collateral Manager, the Trustee nor any of their Affiliates makes any representation that the information described therein is sufficient in all circumstances for such purposes or any other purpose or that the structure of the Notes, the Collateral Manager (including its holding of the Retention Notes) and the transactions described herein are compliant with the EU risk retention and due diligence requirements described above or any other applicable legal or 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 or structure contemplated hereby to comply with or otherwise satisfy such requirements. Any relevant regulator's views with regard to the EU Retention Requirements may not be based exclusively on technical standards, guidance or other information known at this time. If a regulator determines that the transaction did not comply or is no longer in compliance with the EU Retention Requirements or any applicable legal, regulatory or other requirement, then investors may be required by their regulator to set aside additional capital against their investment in the Notes or take other remedial measures in respect of their investment in the Notes. In addition, such regulations could have a negative impact on the price and liquidity of the Notes in the secondary market.

On 30 September 2015, the European Commission (the "**Commission**") published a proposal to amend the CRR (the "**CRR Amendment Regulation**") and a proposed regulation relating to a European framework for simple, transparent and standardised securitisation (such proposed regulation, including any implementing regulation, technical standards and official guidelines related thereto, the "**Securitisation Framework**" and, together with the CRR Amendment Regulation, the "**Securitisation Regulation**") which would, amongst other things, re-cast the EU risk retention rules as part of wider changes to establish a "Capital Markets Union" in Europe. The Presidency of the Council of Ministers of the European Union (the "**Council**") has also published compromise proposals concerning the Securitisation Regulation. On 8 December 2016, The Economic and Monetary Affairs Committee of the European Parliament ("**ECON**") agreed a number of compromise amendments to the Securitisation Regulation. Trilogue discussions among the Commission, the Council and representatives of the European Parliament took place until late May 2017, and the provisionally agreed text of the Securitisation Regulation was published on 26 June 2017. The Securitisation Regulation is expected to come into force on 1 January 2019, but may enter into force on a different date or in a form that differs from the published proposals and drafts.

While certain provisions in the draft Securitisation Regulation 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 Retention Requirements.

Investors should be aware that there may be material differences between the current EU risk retention and due diligence requirements and the final Securitisation Regulation. The Securitisation Regulation may also enter into force in a form that differs from the published proposals and drafts. If

any changes to the Conditions or the Transaction Documents are required as a result of the implementation of the Securitisation Regulation, the Issuer shall be required to bear the costs of making such changes.

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 EU risk retention and due diligence requirements, or the interpretation or application thereof, will not change (whether as a result of the Securitisation Regulation and any corresponding implanting rules 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. The Collateral Manager does not have an obligation to change the quantum or nature of its holding of the Retention Notes due to any future changes in the Retention Requirements or in the interpretation thereof.

The risk retention and due diligence requirements described above apply, or are expected to apply, in respect of the Notes. 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 Collateral Manager to retain a material net economic interest in the securitisation, please see the statements set out in "*Description of the Retention Holder and Retention Requirements*".

2.3. U.S. Risk Retention

On 24 December 2016, the final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act (the "**U.S. Risk Retention Rules**") became effective. The U.S. Risk Retention Rules generally require the collateral manager of a CLO to retain (or, a "majority-owned affiliate", including as a result of having a controlling financial interest under GAAP, of the CLO manager may hold the retention interest), to retain at least a 5 per cent. economic interest in the credit risk of the assets collateralising a "securitization transaction" in the form of an "eligible vertical interest" (an "**EVI**") or "eligible horizontal residual interest" (an "**Eligible Horizontal Residual Interest**") or any combination thereof in accordance with the U.S. Risk Retention Rules (the "**Minimum Risk Retention Requirement**") and must retain such Minimum Risk Retention until the later of: (a) the date on which the total principal balance outstanding of the Collateral Obligations has been reduced to 33 per cent. of the total principal balance outstanding of the Collateral Obligations as of the cut-off date or similar date for establishing the composition of the securitised assets, (b) the date on which the total principal balance outstanding of the Notes has been reduced to 33 per cent. of the total principal balance outstanding of the Notes at the Issue Date or (c) two years after the Issue Date of the Notes. The U.S. Risk Retention Rules will apply to the issuance of the Notes and any issuance of additional Notes (including by way of a Refinancing) issued after the Issue Date.

The Collateral Manager will satisfy the requirements under the U.S. Risk Retention Rules by purchasing and retaining an EVI consisting of 5 per cent. of the principal amount of each class of Notes on the Issue Date. See "*Description of the Retention Holder and Retention Requirements*" below. If the Collateral Manager fails to retain credit risk in accordance with the U.S. Risk Retention Rules, regulatory actions may result which may adversely affect the value and liquidity of the Notes and the ability of the Collateral Manager to perform its obligations under the Transaction Documents. At this time, it is uncertain what effect, if any, a failure of the Collateral Manager to be in compliance with the U.S. Risk Retention Rules at any time will have on the market value or liquidity of the Notes.

The failure by the Collateral Manager and/or the Retention Holder to comply with the U.S. Risk Retention Rules may result in regulatory actions and other proceedings being brought against the Collateral Manager and/or the Retention Holder, which could result in the Collateral Manager and/or 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 noncompliance with the U.S. Risk Retention Rules may also trigger a "cause" event under the Collateral Management Agreement and/or subject to the Collateral Manager and/or 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 EVI upon a removal of the Collateral Manager, if the applicable holders desire to remove the Collateral Manager in connection with any "cause" event, there may be no successor Collateral Manager willing to accept appointment as such, in which case the Collateral Manager will be required to continue to act as Collateral Manager under the Collateral Management Agreement. As a result of any of the foregoing, the failure of the Collateral Manager 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 Collateral Manager.

The U.S. Securities and Exchange Commission (the "**SEC**") has indicated in contexts separate from the U.S. Risk Retention Rules that an "offer" or "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 amendment. 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 Notes, to the extent such amendments require investors to make an investment decision. 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, Refinancing or other material amendment and may affect the liquidity of the Notes. While the Collateral Manager has informed the Issuer that the Collateral Manager will purchase the EVI on the Issue Date and retain the EVI in accordance with the U.S. Risk Retention Rules, the Collateral Manager may not, and it is expected that the Collateral Manager will not, consent to a future Refinancing or additional issuance of Notes or other material amendment if such event would cause the Collateral Manager to be in violation of the U.S. Risk Retention Rules or if it or the Collateral Manager would be required to increase its interests in the Notes. None of the transaction parties (other than the Collateral Manager which will covenant in the Collateral Management and Administration Agreement to comply with all applicable laws (including the U.S. Risk Retention Rules)) provides any assurances regarding, or assumes any responsibility for, the Collateral Manager's compliance with the U.S. Risk Retention Rules prior to, on or after the Issue Date. As a result, the ability of the Issuer to effect any such Refinancing, material amendment or additional issuance of Notes may be impaired or otherwise limited.

No assurance can be given as to whether the U.S. Risk Retention Rules would have any future material adverse effect on the business, financial condition or prospects of the Collateral Manager or the Issuer or on the market value or liquidity of the Notes. In addition, it is possible that the U.S. Risk Retention Rules may reduce the number of investment 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 Collateral Manager to sell Collateral Obligations or to invest in Collateral 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. 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.

In addition, no assurance can be made 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.

2.4. EMIR

The European Market Infrastructure Regulation EU 648/2012 ("**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 European investment firms, alternative investment funds (in

respect of which, see "*Risk Factors – Alternative Investment Fund Manager Directive*" below), credit institutions and insurance companies, or other entities which are "non-financial counterparties" or third country entities equivalent to "financial counterparties" or "non-financial counterparties".

Financial counterparties (as defined in EMIR) will, depending on the identity of their counterparty, be subject to a general obligation (the "**clearing obligation**") to clear all "eligible" OTC derivative contracts entered into with other counterparties subject to the clearing obligations through a duly authorised or recognised central counterparty. They must also report the details of all derivative contracts to a trade repository (the "**reporting obligation**") and in general undertake certain risk-mitigation techniques in respect of OTC derivative contracts which are not cleared by a central counterparty, including complying with requirements related to timely confirmation of terms, portfolio reconciliation, dispute resolution, daily valuation and margin posting (together, the "**risk mitigation obligations**").

Non-financial counterparties (as defined in EMIR) are subject to the reporting obligation and certain of the risk mitigation obligations, but are not subject to the clearing obligation unless the gross notional value of all derivative contracts entered into by the non-financial counterparty and other non-financial entities in its "group" (as defined in EMIR), excluding eligible hedging transactions, exceed certain thresholds and its counterparty is also subject to the clearing obligation. If the Issuer is considered to be a member of such a "group" (as defined in EMIR) (which may, for example, potentially be the case if the Issuer is consolidated by a Noteholder as a result of such Noteholder 's holding of a significant proportion of the Subordinated Notes) and if the aggregate notional value of OTC derivative contracts entered into by the Issuer and any non-financial entities within such group exceeds the applicable thresholds, the Issuer would be subject to the clearing obligation or if the relevant contract is not a type required to be cleared, to the risk mitigation obligations, including the margin posting requirement (in each case, as and when such requirements become applicable for that particular counterparty pair).

The clearing obligation does not yet apply to all counterparties, but is being phased in for certain types of interest rate OTC derivative contracts (denominated in pounds sterling, Euro, USD and Japanese Yen) over the next three years dependent on the categorisation of counterparties to an OTC derivative contract. In addition, ESMA's final version of regulatory technical standards implementing the clearing obligation for certain additional classes of interest rate OTC derivatives (denominated in Norwegian Krone, Polish Zloty and Swedish Krona) was published on 10 November 2015 and has been submitted to the European Commission for endorsement (the "**Additional Currencies RTS**"). The Additional Currencies RTS was endorsed by the European Commission in June 2016 and published in the Official Journal on 20 July 2016 and the clearing obligation took effect from 9 February 2017 for certain counterparties. Key details as to how the clearing obligation may apply to other classes of OTC derivatives remain to be clarified via corresponding technical standards.

The clearing obligation may, in certain circumstances, also apply to swap arrangements entered into prior to the relevant future effective date, although the European delegated regulation relating to the clearing obligation contemplates that this will not be the case for swap contracts entered into by non-financial counterparties which are not AIFs (as defined in "*Alternative Investment Fund Managers Directive*" below).

The process for implementing the clearing obligation is under way but uncertainties about the scope remain, especially in the longer term. Whilst the Hedge Transactions are expected to be treated as hedging transactions and deducted from the total in assessing the notional value of OTC derivative contracts entered by the Issuer and/or non-financial entities within its "group" (as defined in EMIR), there is currently no certainty as to whether the relevant regulators will share this view.

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

The Risk Mitigation RTS detail the risk mitigation obligations and margin requirements in respect of non-cleared OTC derivatives as well as specify the criteria regarding intragroup exemptions and provide that the margin requirement will take effect on dates ranging, originally, from one month after the Risk Mitigation RTS enter into force (for certain entities with a non-cleared OTC derivative portfolio above €3 trillion) to 1 September 2020 (for certain entities with a non-cleared OTC derivative portfolio above €8 billion). The margin requirements apply to financial counterparties and non-financial counterparties above the clearing threshold and, depending on the counterparty, will require collection and posting of variation margin and, for the largest counterparties/groups, initial margin. The margin posting requirement applies from 1 March 2017.

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

The Hedge Agreements may contain early termination events which are based on the application of EMIR and which may allow the relevant Hedge Counterparty to terminate a Hedge Transaction upon the occurrence of such an event. The termination of a Hedge Transaction in these circumstances may result in a termination payment being payable by the Issuer. See "*Hedging Arrangements*" below.

The Conditions of the Notes permit the Issuer and oblige the Trustee, without the consent of any of the Noteholders, to concur in the making of certain modifications to the Transaction Documents and/or the Conditions of the Notes which the Issuer certifies are required to comply with the requirements of EMIR which may become applicable in the 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). These changes may adversely affect the Issuer's ability to enter the Hedge Transactions and therefore the Issuer's ability to acquire Non-Euro Obligations and manage interest rate risk. As a result of such increased costs and/or additional regulatory requirements, investors may receive significantly less or no interest or return, as the case may be, as the Collateral Manager may not be able to execute its investment strategy or achieve its investment objective and the Collateral Manager will not be responsible for any adverse impact suffered by Noteholders as the result of such changes. 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.

2.5. Alternative Investment Fund Managers Directive

The AIFMD regulates alternative investment fund managers ("**AIFMs**") and provides in effect that each alternative investment fund (an "**AIF**") managed within the scope of the AIFMD must have a designated AIFM responsible for ensuring compliance with the AIFMD. Although there is an exemption in the AIFMD for "securitisation special purpose entities" (the "**SSPE Exemption**"), the

European Securities and Markets Authority 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, so there can be no certainty as to whether the Issuer would benefit from the SSPE Exemption.

If the Issuer is an AIF (which at this stage is unclear), then it would be necessary to identify its AIFM, which would be the entity which manages it in general and is therefore most likely to be the Collateral Manager. In such a scenario, the Collateral Manager would be subject to the AIFMD and would need to be appropriately regulated and certain duties and responsibilities will be imposed on the Collateral Manager in respect of its management of the Collateral. Such duties and responsibilities, were they to apply to the Collateral Manager's management of the assets of the Issuer, may result in significant additional costs and expenses, which may in turn negatively affect the amounts payable to Noteholders. The Collateral Manager is authorised under AIFMD. However, if the Collateral Manager was to fail to, or be unable to, be appropriately regulated, the Collateral Manager may not be able to continue to manage the Issuer's assets, or its ability to do so may be impaired. Any regulatory changes arising from implementation of the AIFMD (or otherwise) that impair the ability of the Collateral Manager to manage the Issuer's assets may adversely affect the Collateral Manager's ability to carry out its investment strategy and achieve its investment objective and the Collateral Manager will not be responsible for any adverse impact suffered by Noteholders as the result of such changes.

If the Issuer were considered to be an AIF, the Insolvency Regulations would not apply to insolvency proceedings against the Issuer, and the recognition of such proceedings by other EU Member States would be subject to national laws. The Issuer would also be classified as a "financial counterparty" under EMIR and may be required to comply with clearing obligations or margin posting requirements with respect to Hedge Transactions entered into after the relevant future effective dates. See also 2.4 (*EMIR*) above.

2.6. CRA3

Regulation EC 462/2013 of the European Parliament and of the European Council amending Regulation EC 1060/2009 on credit rating agencies ("**CRA3**") came into force on 20 June 2013 (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 such 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). The European Commission has 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. In their current form, the regulatory technical standards only apply to structured finance instruments for which a reporting template has been specified by ESMA, and currently there is no template specifically for CLO transactions. As a result, it is currently not possible for issuers, sponsors and originators of instruments such as the Notes to comply with the reporting obligation. If a template for CLO transactions were to be published and the website for disclosure were to be set up by ESMA, on and after the application date of the disclosure obligations, the Issuer may incur additional costs and expenses to comply with such disclosure obligations. Such costs and expenses would be payable by the Issuer as Administrative Expenses.

In accordance with the current draft of the Securitisation Regulation, it is intended that Article 8(b) of CRA3 will be repealed, and that disclosure requirements will be governed thereafter by the Securitisation Regulation (see "*Securitisation Regulation*" below). However, it is uncertain at this time if the Securitisation Regulation will be adopted in its current form.

Additionally, Article 8(c) of CRA3 has introduced a requirement that where an issuer or a related third party intends to solicit a credit rating of a structured finance instrument, it shall obtain two independent ratings for such instrument; and Article 8(d) of CRA3 has introduced a requirement that

where an issuer or a related third party intends to appoint at least two credit rating agencies to rate the same instrument, the issuer or a related third party shall consider appointing at least one rating agency having no more than a 10 per cent. market share among agencies capable of rating that instrument. 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.

2.7. Securitisation Regulation

If, upon entry into force of the Securitisation Regulation (as defined above) such regulation and the reporting requirements thereunder apply to the Issuer, the Issuer has agreed to assume the costs of compliance and making amendments to the Transaction Documents. In such circumstances the Issuer will establish and maintain a website or will procure that a website is established and maintained, in each case, for the purposes of ensuring compliance with the Securitisation Regulation.

2.8. EU Bank Recovery and Resolution Directive

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

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

In addition, a relevant Resolution Authority may exercise its discretions in a manner that produces different outcomes amongst institutions resolved in different EU member states. It should also be noted that similar powers and provisions are being considered in the context of financial institutions of other jurisdictions.

2.9. U.S. Dodd-Frank Act

The Dodd-Frank Act was signed into law on 21 July 2010 and imposed a new regulatory framework over the U.S. financial services industry and the consumer credit markets in general. The Dodd-Frank Act and the rules promulgated thereunder affect many aspects, in the U.S. and internationally, of the business of the Collateral Manager, including securitisation, proprietary trading, investing, creation and management of investment funds, OTC derivatives and other activities.

Uncertainty has been created where the requirements of the Dodd-Frank Act and its related regulations overlap and even conflict with numerous regulatory efforts underway outside the U.S..

Certain of these efforts overlap with the substantive provisions of the Dodd-Frank Act, while others do not. In addition, even where these U.S. and international regulatory efforts overlap, these efforts generally have not been undertaken on a coordinated basis.

Investors should be aware that those risks are material and that the Issuer and, consequently, an investment in the Notes could be materially and adversely affected thereby. As such, investors should consult their own independent advisers and make their own assessment about the potential risks posed by the Dodd-Frank Act and the rules promulgated thereunder in making any investment decision in respect of the Notes.

2.10. Commodity Pool Regulation

The Issuer's ability to enter into Hedge Transactions may cause the Issuer to be a "commodity pool" as defined in the United States Commodity Exchange Act of 1936, as amended (the "**CEA**") and the Collateral Manager to be a "commodity pool operator" ("**CPO**") and/or a "commodity trading advisor" ("**CTA**"), each as defined in the CEA in respect of the Issuer. The CEA, as amended by the Dodd-Frank Act, defines a "commodity pool" to include certain investment vehicles operated for the purpose of trading in "commodity interests" which includes swaps. CPOs and CTAs are subject to regulation by the Commodity Futures Trading Commission ("**CFTC**") and must register with the CFTC and become a member of the National Futures Association ("**NFA**") unless an exemption from registration is available. Based on CFTC interpretive guidance that certain securitisation transactions, including CLOs, should be excluded from the definition of "commodity pool", the Issuer is not expected to be treated as a commodity pool. The Collateral Manager shall only cause the Issuer to enter into Hedge Agreements in respect of which, prior to entering into such Hedge Agreement the Issuer obtains legal advice of reputable legal counsel to the effect that the entry into such Hedge Agreement shall not require any of the Issuer, its Managing Directors or officers or the Collateral Manager, its directors, officers or employees to register with the United States Commodity Futures Trading Commission as a CPO or a CTA pursuant to the CEA.

Notwithstanding the above, in the event that the CFTC guidance referred to above changes or the Issuer engages in one or more activities that might cause it to be treated as a commodity pool and no exemption from registration is available, registration of the Collateral Manager as a CPO or a CTA may be required before the Issuer (or the Collateral Manager on the Issuer's behalf) may enter into any Hedge Agreement. Registration of the Collateral Manager as a CPO or a CTA could cause the Collateral Manager to be subject to extensive compliance and reporting requirements that would involve material costs which would be passed on to the Issuer. The scope of such compliance costs is uncertain but could adversely affect the amount of funds available to make payments on the Notes. In addition, in the event an exemption from registration were available and the Collateral Manager elected to file for an exemption, the Collateral Manager would not be required to deliver certain CFTC mandated disclosure documents or a certified annual report to investors or satisfy on-going compliance requirements under Part 4 of the CFTC regulatory requirements, as would be the case for a registered CPO.

Even if an exemption were available, the limits imposed by such exemption may prevent the Issuer from entering into Hedge Transactions, having the effect of limiting the Issuer's ability to invest in Non-Euro Obligations and putting it in breach of its obligation to enter into Currency Hedge 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 (in respect of which, see "*Interest Rate Risk*" and "*Currency Risk*" below). In addition, the costs of obtaining and maintaining such exemption will be passed on to the Issuer.

Further, if the Collateral Manager determines that additional Hedge Transactions should be entered into by the Issuer in excess of the trading limitations set forth in any applicable exemption from registration as a CPO, the Collateral Manager may elect to withdraw its exemption from registration and instead register with the CFTC as the Issuer's CPO. The costs of obtaining and maintaining these registrations and the related compliance obligations would be paid by the Issuer as Administrative

Expenses. Such costs would reduce the amount of funds available to make payments on the Notes. These costs are uncertain and could be materially greater than the Collateral Manager anticipated when deciding to enter into the transaction and register as a CPO. In addition, it may not be possible or advisable for the Collateral Manager to withdraw from registration as a CPO after any relevant swap transactions terminate or expire. The costs of CPO registration and the ongoing CPO compliance obligations of the Collateral Manager could exceed, perhaps significantly, the financial risks that are being hedged pursuant to any Hedge Transaction.

2.11. Other CFTC Regulations

Pursuant to the Dodd-Frank Act, the CFTC has promulgated a range of regulatory requirements that may affect the pricing, terms and compliance costs associated with the entry into any Hedge Transaction by the Issuer and the availability of such Hedge Transactions. Some or all of the Hedge Transactions that the Issuer may enter into may be affected by, among others (i) the requirement that certain swaps be centrally cleared and in some cases traded on a designated contract market or swap execution facility, (ii) initial and variation margin requirements of any central clearing organisation (with respect to cleared swaps) or initial or variation requirements as may otherwise be required by law with respect to uncleared swaps, (iii) recordkeeping obligations and (iv) reporting obligations. These requirements may significantly increase the cost to the Issuer of entering into Hedge Transactions such that the Issuer may be unable to purchase certain types of Collateral Obligations, have unforeseen legal consequences on the Issuer or have other material adverse effects on the Issuer or the Noteholders.

Furthermore, regulations requiring the posting and collection of initial and variation margin by entities such as the Issuer went into effect in the United States on 1 March 2017 for all registered swap dealers with respect to variation margin (subject to limited relief) and are being phased-in for registered swap dealers between 1 September 2016 and 1 September 2020 with respect to initial margin. While transactions existing prior to the applicable date are not subject to these requirements, new Hedge Transactions may be subject to these requirements, as might existing Hedge Transactions that undergo a material amendment, based on guidance provided and positions taken by US regulators in other contexts. The Trust Deed does not permit the Issuer to post or collect initial or variation margin and this may prevent the Issuer from entering into certain types of derivative transactions with certain counterparties. Accordingly, the application of US to a Hedge Transaction or a proposed Hedge Transaction could have a material, adverse effect on the Issuer's ability to hedge its interest or currency rate exposure, or on the cost of such hedging.

2.12. Volcker Rule

Final rules implementing Section 619 of the Dodd Frank Act (the "**Volcker Rule**") became effective on 21 July 2015. Among other things, the Volcker Rule prohibits "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.

Because the Issuer relies on the exemption under Section 3(c)(7) of the Investment Company Act for its exemption from registration thereunder, it is likely to be considered to be a "covered fund" unless it falls within a specific exclusion from this definition. The most relevant exclusion from the definition of "covered fund" is for "loan securitizations". To qualify for the loan securitization exclusion, a special purpose issuer of ABS must not (among other matters) own any securities (other than those permitted within the exclusion) or enter into any derivative contracts unless the derivative contract is a "permitted derivative" within the meaning of and subject to the Volcker Rule. Notwithstanding that the Issuer will be subject to certain restrictions on the assets it is permitted to acquire and/or enter into pursuant to the terms of the Transaction Documents with the intent that it will be excluded from being a "covered fund" within the meaning of the Volcker Rule, none of the Issuer, the Collateral Manager, the Sole Arranger or the Initial Purchaser makes any representation

regarding whether the Issuer will fall within this exclusion. 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.

The Volcker Rule and any similar measures introduced in another relevant jurisdiction may impact on the price and liquidity of the Notes in the secondary market or restrict prospective investors' ability to hold notes such as the Notes. Each purchaser is responsible for analysing its own position under the Volcker Rule and any similar measures.

2.13. French Law on the Separation and Regulation of Banking Activities

Further to French law no. 2013-672 dated 26 July 2013 on the separation and regulation of banking activities (the "**Separation Law**"), Article L. 511-47 of the French Monetary and Financial Code (*Code monétaire et financier*) ("**MFC**") prohibits credit institutions (*établissements de crédit*), financial holding companies (*compagnies financières holding*) and mixed financial holding companies (*companies financières holding mixtes*) whose trading activities in financial instruments exceed 7.5 per cent. of their balance sheet from:

(a) carrying out proprietary trading activities in financial instruments, save in the case where such proprietary trading activities are carried out under certain conditions; and/or

(b) entering into any unsecured transactions for their own account with certain vehicles such as leveraged collective investment schemes or other similar investment vehicles having characteristics detailed in a ministerial order (*Arrêté*) dated 9 September 2014,

otherwise than via a subsidiary dedicated to such activities and transactions and specifically regulated (the "**Prohibitions**").

When the relevant institution or company belongs to a group which is supervised by the relevant authority on a consolidated basis, the threshold of 7.5 per cent. must be assessed on the basis of the consolidated financial situation of the group or of the central organ and consolidated entities for mutualist groups (*groupes mutualistes*).

Article 5 of the Separation Law provides that the above mentioned institutions and companies are required to identify the prohibited activities to be transferred by 1 July 2014, and then to transfer these activities to their trading subsidiary by 1 July 2015.

The drafting of Article L. 511-47 of the MFC is unclear, and there is uncertainty as to whether a subsidiary of a credit institution, such as the Collateral Manager, which is not the subsidiary dedicated to activities and transactions covered by the Prohibitions, could carry out such activities and transactions. If the Prohibitions under Article L. 511-47 of the MFC were to become applicable to the Collateral Manager and the Collateral Manager was not entitled to benefit from any exemptions, its ability to act as Retention Holder (in respect of which, see the section headed "*Description of the Retention Holder and Retention Requirements*" below) may be impaired and the Collateral Manager may not be able to continue to act as Retention Holder and to manage the Issuer's assets other than via a dedicated trading subsidiary without breaching Article L. 511-47 of the MFC unless the Collateral Manager transfers its functions, duties and rights as Retention Holder and Collateral Manager to such dedicated trading subsidiary (as to which see the restrictions on the transfers of the Retention Notes summarised under "*Description of the Retention Holder and Retention Requirements*").

3. RELATING TO TAXATION

3.1. U.S. Tax Risks

Changes in tax law; Imposition of tax on non-U.S. Holders

Distributions on the Notes to a non-U.S. Holder (as defined in "*Tax Considerations – United States Federal Income Taxation*") that provides appropriate tax certifications to the Issuer and gain recognised on the sale, exchange or retirement of the Notes by the non-U.S. Holder will not be subject to U.S. federal income tax unless the payments or gain are effectively connected with a trade or business conducted by the non-U.S. Holder in the United States or, in the case of gain, the non-U.S. Holder is a non-resident alien individual who holds the Notes as a capital asset and is present in the United States for more than 182 days in the taxable year of the sale and certain other conditions are satisfied. However, no assurance can be given that non-U.S. Holders will not in the future be subject to tax imposed by the United States.

U.S. trade or business

If the Issuer were to breach certain of its covenants and acquire certain assets (for example, a "United States real property interest" within the meaning of the Code or an equity interest in an entity that is treated as a partnership for U.S. federal income tax purposes and that is itself engaged in a trade or business in the United States), including upon a foreclosure, or breach certain of its other covenants, the Issuer could be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes. Moreover, a breach of certain of these covenants may not give rise to an Event of Default and may not give rise to a claim against the Issuer or the Collateral Manager. A change in law or its interpretation also could result in the Issuer being treated as engaged in a trade or business in the United States for U.S. federal income tax purposes, or otherwise subject to U.S. federal income tax on a net income basis. If it is determined that the Issuer is treated engaged in a trade or business in the United States for U.S. federal income tax purposes, and the Issuer has taxable income that is effectively connected with such U.S. trade or business, the Issuer will be subject under the Code to the regular U.S. corporate income tax on its effectively connected taxable income, which may be imposed on a gross basis, and possibly to a 30 per cent. branch profits tax and U.S. state and local taxes may apply as well. The imposition of such a tax liability could materially adversely affect the Issuer's ability to make payments on the Notes.

FATCA

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on U.S.-source payments it receives with respect to Collateral Obligations of, and Eligible Investments in, U.S. obligors (including gross proceeds from the sale or other disposition of such Collateral Obligation or Eligible Investment after 31 December 2018) unless the Issuer complies with regulations in the Netherlands that implement the intergovernmental agreement between the Netherlands and the United States (the "**Dutch IGA**"). The Dutch IGA requires, among other things, that the Issuer collect and provide to the government of the Netherlands (which will provide such information to the U.S. Internal Revenue Service (the "**IRS**")) substantial information regarding direct and indirect holders of the Notes unless the Issuer qualifies as a "Non-Reporting Financial Institution" (as defined in the Dutch IGA) or is otherwise entitled to an exemption under FATCA. The required information will generally include the name, address, TIN and certain other information with respect to Noteholders and certain direct and indirect owners of the Noteholders.

The Issuer intends to comply with its obligations under the Dutch IGA and FATCA more generally. The Issuer anticipates that U.S. withholding will not be imposed on payments made to the Issuer, or on payments made by the Issuer, unless the IRS has specifically listed the Issuer as a non-participating financial institution, the Issuer has otherwise assumed responsibility for withholding under U.S. tax law, or the Issuer is unable to comply with FATCA or the Dutch IGA. In some cases, the Issuer's ability to comply with FATCA could depend on factors outside of the Issuer's control. For example, if an affiliate of the Issuer that is a foreign financial institution ("**FFI**") (as defined under FATCA) that 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 (by vote and in some cases value)). 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 any person 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.

Although the Issuer will not prohibit any person from holding more than 50 per cent. of the Issuer's equity, it may force the sale of all or a portion of the equity held by such a person if such Noteholder is an FFI affiliate of the Issuer that is preventing the Issuer from complying with FATCA. For these purposes, the Issuer may sell a Noteholder's or 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. Moreover, if a Noteholder fails to provide the Issuer with the Noteholder FACTA Information, the Issuer is authorised to (1) withhold amounts otherwise distributable to the Noteholder, and (2) compel the Noteholder to sell its Notes and, if the Noteholder does not sell its Notes after notice from the Issuer, to sell the Noteholder's Notes on behalf of the Noteholder.

No assurance can be given that the Issuer will be able to take all necessary actions or that actions taken will be successful to minimise the impact of FATCA. The Issuer's ability to avoid adverse consequences under FATCA may not be within the control of the Issuer and, for example, may depend on the actions of the Noteholder (and each foreign withholding agent (if any) in the chain of custody). The rules under FATCA or the Dutch IGA may also change in the future. Future guidance may subject payments on Notes to a withholding tax of 30 per cent. if each FFI that holds any such Note, or any intermediary through which any such Note is held, has not entered into an information reporting agreement with the IRS under FATCA or complied with the terms of a relevant intergovernmental agreement or if the owner of such Note fails to provide the Noteholder FATCA Information.

If the Issuer were to move from the Netherlands to another jurisdiction, the Issuer would be required to enter into an agreement with the IRS or comply with the terms of that jurisdiction's intergovernmental agreement with the United States relating to FATCA in order to avoid the imposition of FATCA withholding. FATCA may also apply to intermediaries and Noteholders may be subject to withholding or forced transfers if they do not comply with similar information requests made by an intermediary (or if an intermediary otherwise fails to comply with FATCA).

FATCA and comparable provisions of the Dutch IGA and the Netherlands' FATCA legislation are complex and their application to the Issuer is not entirely certain as the rules and regulations continue to be issued and revised. Each Noteholder should consult its own tax advisor to obtain a more detailed explanation of FATCA and to learn how it might affect such Noteholder in its particular circumstance.

U.S. Tax Characterisation of the Notes

The Issuer has agreed 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. Upon the issuance of the Notes, White & Case LLP will deliver an opinion generally to the effect that, assuming compliance with the Transaction Documents, and based on the validity of certain assumptions regarding the Rated Notes and factual representations made by the Issuer and/or the Collateral 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. No opinion will be given in respect of the Class F Notes. 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 White & Case LLP will be based on current law and certain representations and assumptions. The foregoing opinion with respect to the Class E Notes is based on the assumption that there is not significant common ownership between the holders of the Subordinated Notes, holders of the Class E Notes and the holders of the Class F Notes. Significant common ownership between the holders of the Subordinated Notes, the Class E Notes and the Class F Notes could adversely affect the treatment of the Class E

Notes as debt for United States federal income tax purposes and counsel's foregoing opinion with respect to such Class E Notes. 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.

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. Under U.S. federal income tax principles, a strong likelihood exists that the Subordinated Notes will be treated as equity. The Issuer has agreed, and by acquiring an interest in a Subordinated Note, the holder will be deemed to have agreed, to treat such Subordinated Note as equity for U.S. federal income tax purposes. This summary assumes such treatment.

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 any of the views expressed herein

Possible Treatment of Class E Notes and Class F Notes as Equity in the Issuer for U.S. Federal Income Tax Purposes

The Class E Notes or Class F Notes could be treated as representing equity in the Issuer for U.S. federal income tax purposes. If the Class E Notes or Class F Notes are so treated, gain on the sale of a Class E Note or Class F Note could be treated as ordinary income and subject to additional tax in the nature of interest, and certain interest on the Class E Notes or Class F Notes could be subject to the additional tax. U.S. Holders (as defined under the heading "*Tax Considerations – United States Federal Income Taxation*") may be able to avoid these adverse consequences by filing a "protective" qualified electing fund election with respect to their Class E Notes or Class F Notes. See "*Tax Considerations—Investment in a Passive Foreign Investment Company*").

The Issuer will be a "Passive Foreign Investment Company," and may be a "Controlled Foreign Corporation," for U.S. Federal Income Tax Purposes

The Issuer will be treated as a passive foreign investment company ("**PFIC**") for U.S. federal income tax purposes, which means that a U.S. Holder of Subordinated Notes, and any other Class of Notes treated as equity for U.S. federal income tax purposes (collectively "**Equity Notes**") may be subject to adverse tax consequences unless the U.S. Holder elects to treat the Issuer as a "qualified electing fund" and to recognise currently its proportionate share of the Issuer's income whether or not distributed to such U.S. Holder. In addition, depending on the overall ownership of the Equity Notes and certain other factors, a U.S. Holder of more than 10 per cent. of the Equity Notes may be treated as a "United States shareholder" in a controlled foreign corporation and required to recognise currently its proportionate share of the "subpart F income" of the Issuer whether or not distributed to such U.S. Holder. A U.S. Holder that makes a qualified electing fund election, or that is required to include subpart F income in the event that the Issuer is treated as a controlled foreign corporation, may recognise income in amounts significantly greater than the payments received from the Issuer. Taxable income may exceed cash payments when, for example, the Issuer uses earnings to repay principal on the Notes or accrues income on the Collateral Obligations prior to the receipt of cash or the Issuer discharges its debt at a discount. A U.S. Holder that makes a qualified electing fund election or that is required to recognise currently its proportionate share of the subpart F income of the Issuer will be required to include in current income its pro rata share of such earnings, income or amounts whether or not the Issuer actually makes any payments to such holder.

Fungibility of Additional Notes with Notes Issued on the Closing Date Uncertain

Whether any additional Notes issued pursuant to Condition 17 (*Additional Issuances*) would be fungible for U.S. federal income tax purposes with the Rated Notes issued on the closing date would

depend on whether the issuance of such additional Notes would be part of the same "issue" as the original Rated Notes or be treated as a "qualified reopening" within the meaning of U.S. Treasury regulations. This determination will depend on facts that cannot be determined at this time, including the date on which such issuance occurs, the yield of the outstanding Rated Notes at that time (based on their fair market value) and whether any outstanding Rated Notes are publicly traded or quoted at that time. If the additional Notes are not "fungible" for U.S. federal income tax purposes with the original Class of Notes, holders of original Notes may be required to recognize original issue discount ("**OID**") (in the case of a holder of original Notes not issued with OID), or a greater amount of OID (in the case of a holder of original Notes issued with OID).

U.S. federal income tax consequences of an investment in the Notes are uncertain

The U.S. federal income tax consequences of an investment in the Notes are uncertain, as to both the timing and character of any inclusion in income in respect of the Notes. Because of this uncertainty, prospective investors are urged to consult their tax advisors as to the tax consequences of an investment in a Note. For a more complete discussion of the U.S. federal income tax consequences of an investment in a Note, please see the summary under "*Tax Considerations – United States Federal Income Taxation*" below.

3.2. Withholding Tax on the Collateral

At the time when they are acquired by the Issuer, the Eligibility Criteria require that payments of interest on the Collateral Obligations either will not be reduced by any withholding tax imposed by any jurisdiction (or subject to direct assessment by reference to the source of the payment or situs of the Collateral Obligation) or, if and to the extent that any such withholding tax or tax by direct assessment does apply, the relevant Obligor will be obliged to make gross up payments to the Issuer or to indemnify the Issuer to cover the full amount of such withholding or directly assessed 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 or in respect of the Collateral Obligations will not in the future become subject to such tax by direct assessment, withholding tax or increased withholding rates in respect of which the relevant Obligor will not be obliged to gross up to or indemnify 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 Obligations from a Selling Institution which is able to pay interest payable under such Participation gross. In the event that the Issuer receives any interest payments on any Collateral 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 Obligations would be sufficient to make timely payments of interest, principal on the Maturity Date and other amounts payable in respect of the Notes of each Class. The occurrence of any withholding tax or tax by direct assessment imposed by any jurisdiction owing to a change in law may result in the occurrence of a Collateral Tax Event pursuant to which the Notes may be subject to early redemption at the option of the Subordinated Noteholders in the manner described in Condition 7(b) (*Optional Redemption*).

3.3. Withholding Tax on the Notes

Although no withholding tax is currently expected to be imposed on payments of interest on the Notes by the Issuer, there can be no assurance that the law will not change and pursuant to Condition 9 (*Taxation*) the Issuer will withhold or deduct from any such payments any amounts on account of tax where so required by law or any relevant taxing authority or in connection with FATCA. 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 the holders of either of the Controlling Class or the Subordinated Notes, in each case acting by way of Extraordinary Resolution, 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.

3.4. Taxation Implications of Contributions

A Noteholder may, in certain circumstances, provide the Issuer with cash by way of a Contribution in accordance with Condition 3(d) (*Contributions*). Noteholders may become subject to taxation in relation to the making of a Contribution. Noteholders are solely responsible for any and all taxes that may be applicable in such circumstances. Noteholders should seek their own professional advice as to their treatment before making a Contribution in accordance with Condition 3(d) (*Contributions*).

3.5. EU Financial Transactions Tax

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 Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovenia, Slovakia and Spain (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 would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

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

The FTT may give rise to tax liabilities for the Issuer with respect to certain transactions (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 Notes and may result in investors receiving less interest and/or principal than expected. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Notes (including secondary market transactions) if the conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's Proposal. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

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 Notes are advised to seek their own professional advice in relation to the FTT.

3.6. 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 ("**BEPS**"), identifying 15 specific actions to achieve this. Subsequently,

the OECD published discussion papers and held public consultations in relation to those actions, also publishing interim reports, analyses and sets of recommendations in September 2014 for seven of the actions. On 5 October 2015, the OECD published final reports, analyses and sets of recommendations for all of the 15 actions it identified as part of its Action Plan, which G20 finance ministers then endorsed during a meeting on 8 October 2015 in Lima, Peru (the "**Final Report**"). The Final Report was endorsed by G20 Leaders during their annual summit on 15-16 November 2015 in Antalya, Turkey.

Action 4

In the Final Report relating to Action 4, the OECD recommends as a best practice for countries introduce a general limitation on tax deductions for net interest and economically equivalent payments under which, broadly speaking, a company would be denied those deductions to the extent they exceeded a particular percentage of the company's EBITDA ranging from 10 to 30 per cent.

The OECD recommends that as a minimum, countries apply the restriction to companies that form part of domestic and multinational groups only, or to companies that form part of multinational groups. However, the OECD acknowledges that countries may also apply this restriction more broadly to include companies in a domestic group and standalone companies which are not part of a domestic group.

However, the restriction recommended would only apply to tax deductions for net "interest" and economically equivalent payments. As a result, since the Issuer will generally fund interest payments it makes under the Notes from interest payments to which it is entitled under Collateral Obligations (that is such that the Issuer should have limited or no net interest), the restriction may be of limited relevance to the Issuer even if the Netherlands chose to apply such a restriction to companies like the Issuer.

Action 6

The focus of one of the actions (Action 6) is the prevention of treaty abuse by developing model treaty provisions to prevent the granting of treaty benefits in inappropriate circumstances. The Final Report recommends, as a minimum, that countries should include in their tax treaties: (i) an express statement that the common intention of each contracting state which is party to such treaties is to eliminate double taxation without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance; and one, or both, of (ii) a "limitation-on-benefits" ("**LOB**") rule; and (iii) a "principal purposes test" ("**PPT**") rule.

The PPT rule could deny a treaty benefit (such as a reduced rate 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, unless it is established that granting that benefit in those circumstances would be in accordance with the object and purpose of the relevant provisions of the treaty. It is unclear how a PPT, if adopted, would be applied by the tax authorities of those jurisdictions from which payments are made to the Issuer.

In contrast, the LOB rule has a more objective focus. More particularly, the OECD has included both a detailed and simplified version of the LOB rule in its Final Report relating to Action 6, albeit recommending in the related commentary to the LOB rule that the simplified version of the LOB rule should be included in a double tax treaty in combination with a PPT rule. The more detailed version of the LOB provision would limit the benefits of treaties, in the case of companies and in broad terms, to: (i) certain publicly listed companies and their affiliates; (ii) certain not-for-profit organisations and companies which carry on a pensions business; (iii) companies owned by a majority of 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); (v) companies which were not established in a particular jurisdiction with a principal purpose of obtaining treaty benefits; and (vi)

certain collective investment vehicles ("**CIVs**"). The simplified version of the LOB provision would limit these benefits to companies in similar but, generally speaking, less prescriptive circumstances. The ability to claim treaty benefits under (v) above, however, would be included in both versions, albeit that it would require a company to apply to the tax authorities of the other contracting state for the granting of that benefit.

Whilst the Final Report makes provision for the inclusion of a CIV as a "qualified person" for the purposes of the LOB rule, the Final Report does not include specific provision for non-CIVs, such as the Issuer. In the Final Report, the OECD acknowledges the economic importance of non-CIV funds and the need to grant such vehicles treaty benefits where appropriate. Further work on the treaty benefits to be afforded to non-CIV funds has continued to be undertaken, including the publication on 24 March 2016 by the OECD of a public discussion draft document on the entitlement of non-CIV funds to treaty benefits and the publication on 6 January 2017 of a further discussion draft on non-CIV examples.

The Multilateral Instrument (see further below) presents the PPT rule as the default option for countries wishing to modify their tax treaties to comply with the minimum standard of Action 6, while also permitting countries to supplement the PPT rule by choosing to apply a simplified LOB rule. The Multilateral Instrument does not include a detailed LOB rule but rather allows relevant countries who wish to incorporate a detailed LOB rule to opt out of the PPT rule and instead agree to endeavour to reach a bilateral agreement on such a detailed LOB rule. The Multilateral Instrument does not, however, address non-CIV funds and their access to treaty benefits in the context of a LOB rule.

Action 7

The focus of another action point (Action 7) was 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.

The Final Report on Action 7 sets out the changes that will be made to the definition of a "permanent establishment" in Article 5 of the OECD Model Convention and the OECD Model Commentary. Among other recommendations, the Final Report on Action 7 recommended two specific changes to the OECD Model Convention: (i) the expansion of the circumstances in which a "permanent establishment" is created to include the negotiation of contracts where certain conditions are satisfied; and (ii) narrowing the exemption for agents of independent status where contracts are concluded by an "independent agent" and that agent is connected to the foreign enterprise on behalf of which it is acting.

However, it is not clear what impact the Final Report relating to Action 7 will have on the UK/Netherlands double tax treaty and the above analysis, principally 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 of the Final Report's recommendations. The recommendations of the Final Report on Action 7 described above do not represent a BEPS "minimum standard" and, accordingly, even where countries do sign the Multilateral Instrument (see further below), they will not be required, but may opt, to amend their existing tax treaties to include the recommendations of the Final Report.

Implementation of the recommendations in the Final Report

The OECD Action Plan noted the need for a swift implementation of any measures which are finally decided upon and suggested that Actions 6 and 7, among others, could be implemented by way of multilateral instrument, rather than by way of negotiation and amendment of individual tax treaties. Subsequently, therefore, on 24 November 2016, the OECD published the text and explanatory statement of the "Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting", developed by an ad hoc group of 99 countries which included the Netherlands and the UK (the "**Multilateral Instrument**"). The Multilateral Instrument is to be applied alongside existing tax treaties (rather than amending them directly), modifying the application of those existing treaties in order to implement BEPS measures. The accompanying press release

stated that a first "high-level" signing ceremony for the Multilateral Instrument will take place in the week beginning 5 June 2017.

Accordingly, at least some of the recommendations of the Final Reports on Actions 6 and 7 may be applied to existing tax treaties in a relatively short time. However, the Multilateral Instrument generally allows participating countries to opt in or out of various measures which are not a BEPS "minimum standard". It remains to be seen, therefore, precisely which options participating countries will choose and, as the Final Report on Action 6 observed, there are various reasons why countries may not implement the proposed amendments in an identical manner and/or to the same extent.

In particular, it remains to be seen what specific changes will be made to the UK/Netherlands double tax treaty and any other double tax treaty on which the Issuer may rely (for example, in receiving interest from an overseas borrower at a potentially reduced rate of withholding tax under an applicable double tax treaty). A change in the application or interpretation of these double tax treaties (as a result of the adoption of the recommendations of the Final Report by way of the Multilateral Instrument or otherwise) might result in the Issuer being treated as having a taxable permanent establishment outside of the Netherlands, in denying the Issuer the benefit of the Netherlands' network of double tax treaties or in other tax consequences for the Issuer. In each case, this could have a material adverse effect on the Issuer's business, tax and financial position.

3.7. EU Anti-Tax Avoidance Directive

As part of its anti-tax avoidance package the EU Commission published a draft Anti-Tax Avoidance Directive on 28 January 2016, which was formally adopted by the EC Council on 12 July 2016 in Council Directive (EU) 2016/1164. The directive must be implemented by each Member State by 2019, subject to derogations for Member States which have equivalent measures in their domestic law. Amongst the measures contained in the proposed directive is an interest deductibility limitation rule similar to the recommendation contained in the BEPS Action 4 proposals. The directive provides that interest costs in excess of the higher of (a) EUR 1,000,000 or (b) 30% of an entity's earnings before interest, tax, depreciation and amortisation will not be deductible in the year in which they are incurred but would remain available for carry forward. However, the restriction on interest deductibility would only be in respect of the amount by which the borrowing costs exceed "interest revenues and other equivalent taxable revenues from financial assets". Accordingly, as the Issuer will generally fund interest payments it makes under the Notes from interest payments to which it is entitled under Collateral Obligations (that is such that the Issuer should have limited or no net interest), the restriction may be of limited relevance to the Issuer even if the directive was implemented as originally published. There is also a carve out in the directive for financial undertakings, although as currently drafted the Issuer would not be treated as a financial undertaking. The European Commission is also pursuing other initiatives, such as a common corporate tax base, the impact of which, if implemented, is uncertain.

3.8. Imposition of Unanticipated Taxes on Issuer

The Issuer expects to earn a minimum profit that is subject to Dutch corporate tax. However, no Dutch value added tax should be payable on the Collateral Management Fees on the basis of article 11(1)(i)(3) of the Dutch value added tax act based upon Article 135(1)(g) of Directive 2006/112/EC (the "**VAT Directive**"), which provides that EU member states shall exempt from value added tax 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 Notes may be impaired. In its judgement of Staatssecretaris van Financien v Fiscale Eenheid X NV cs C-595/13 ("**ECJ Fiscale Eenheid X**") the European Court of Justice has ruled that the value added tax 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 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 value added tax act. The Issuer (and other Dutch collateralised loan obligation vehicles) has the benefit of a tax ruling from the Dutch tax authorities (which pre-dates the ECJ Fiscale Eenheid X case), confirming that the relevant value added tax exemption can be applied for collateral 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 may seek to change their position in the future and Dutch value added tax may be imposed on the Collateral Management Fees.

3.9. 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 participation jurisdictions.

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

The Netherlands is a signatory jurisdiction to a Multilateral Competent Authority Agreement on the automatic exchange of financial account information in respect of CRS.

Over 100 jurisdictions have committed to exchanging information under the CRS and a group of over 50 countries, including The Netherlands, have committed to the early adoption of the CRS from 1 January 2016 (known as the "**Early Adopted 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 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 automatic disclosure of such information by the Issuer (or any nominated service provider) or any other person to the Dutch Tax Authorities (*Belastingdienst*) who will exchange the information with the tax authorities of other participating jurisdictions, if 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.

The Issuer (or any nominated service provider) will agree that information (including the identity of any Noteholder) supplied for the purposes of CRS and DAC II compliance is intended for the Issuer's (or any nominated service provider's) use for the purposes of satisfying CRS and DAC II requirements and the Issuer (or any nominated service provider) will agree, to the extent permitted by

applicable law, that it will take reasonable steps to treat such information in a confidential manner, except that the Issuer may disclose such information (i) to its officers, directors, agents and advisors, (ii) to the extent reasonably necessary or advisable in connection with tax matters, including achieving CRS and DAV II compliance, (iii) to any person with the consent of the applicable Noteholder, or (iv) as otherwise required by law or court order or on the advice of its advisors.

4. RELATING TO THE NOTES

4.1. Limited Liquidity and Restrictions on Transfer

Although there is currently a limited market for notes representing collateralised loan 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, as part of its activities as broker and dealer in fixed income securities, intends to make a secondary market in relation to the Notes (other than the Subordinated Notes), but is not obliged to do so. 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. Where a market does exist, to the extent that an investor wants to sell these securities, the price may, or may not, be at a discount from the outstanding principal amount. In addition, no sale, assignment, participation, pledge or transfer of the Notes may be effected if, among other things, it would require the Issuer or any of its 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*". Such restrictions on the transfer of the Notes may further limit their liquidity.

4.2. Optional Redemption and Market Volatility

The market value of the Collateral 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), European and international political events, events in the home countries of the issuers of the Collateral 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 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)(i) (*Optional Redemption in Whole – Subordinated Noteholders*). 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 and certain other amounts.

4.3. 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 at the applicable Redemption Prices (A) in the case of a redemption on any Payment Date falling on or after the expiry of the Non-Call Period, at the option of the Subordinated Noteholders acting by way of Ordinary Resolution, (B) in the case of a redemption on any Payment Date falling after the occurrence of a Collateral Tax Event, at the option of the Subordinated Noteholders acting by way of Ordinary Resolution or (C) on any Payment Date following the occurrence of a Note Tax Event, at the direction of either the Controlling Class or the Subordinated Noteholders acting by way of Extraordinary Resolution. See Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*).

In addition, the Rated Notes may be redeemed in part by the redemption in whole of one or more Classes of Notes from Refinancing Proceeds and Partial Redemption Interest Proceeds at the applicable Redemption Prices on any Business Day falling on or after expiry of the Non-Call Period if: (i) the Collateral Manager proposes to the Subordinated Noteholders at least 30 days prior to the Redemption Date to redeem such Class or Classes of Rated Notes, subject to the Subordinated Noteholders (acting by way of Ordinary Resolution) approving such proposal; or (ii) the Subordinated Noteholders (acting by way of Ordinary Resolution) direct the Issuer to redeem such Class or Classes of Rated Notes. Any such redemption shall be of an entire Class or Classes of Notes subject to a number of conditions. See Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/ Subordinated Noteholders*).

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 by the redemption in whole of one or more Classes of Rated Notes. 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: (i) the Issuer provides prior written notice thereof to the Rating Agencies and each Hedge Counterparty; (ii) all Principal Proceeds, all Refinancing Proceeds, all Sale Proceeds from the sale of Collateral Obligations, Eligible Investments received in accordance with the procedures set forth in the Trust Deed, Exchanged Equity Securities, Collateral Enhancement Obligations 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 the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) 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 the Redemption Price) on such Redemption Date when applied in accordance with the Post-Acceleration Priority of Payments; (iii) all Principal Proceeds, Refinancing Proceeds, Sale Proceeds, if any, and other available funds are used (to the extent necessary) to make such redemption; (iv) 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; (v) all Refinancing Proceeds, all Principal Proceeds and all Sale Proceeds from the sale of Collateral Obligations and Eligible Investments received in accordance with the procedures set forth in the Trust Deed are received by (or on behalf of) the Issuer prior to the applicable Redemption Date; and (vi) any issuance of replacement notes would not result in non-compliance with the EU Retention Requirements or the U.S. Risk Retention Rules.

In the case of a Refinancing upon a redemption in part by the redemption in whole of one or more Classes of Rated Notes, such Refinancing will only be effective if: (i) the Issuer provides prior written notice thereof to the Rating Agencies and each Hedge Counterparty; (ii) the Refinancing Obligations are in the form of notes; (iii) any redemption of a Class of Notes is a redemption of the entire Class which is subject to the redemption; (iv) the sum of (A) the Refinancing Proceeds and (B) the amount of Partial Redemption Interest Proceeds will be at least sufficient to pay in full (x) the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption plus (y) all accrued and unpaid Trustee Fees and Expenses and Administrative Expenses in connection with such Refinancing without reference to the Senior Expenses Cap; (v) the Refinancing Proceeds are used (to the extent necessary) to make such redemption; (vi) the Refinancing Proceeds and the Partial Redemption Interest Proceeds are applied in accordance with the Partial Redemption

Priority of Payments; (vii) 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; (viii) if the Partial Redemption Date is not otherwise a Payment Date, the Collateral Manager reasonably determines that Interest Proceeds will be available on the next following Payment Date in an amount at least equal to the sum of (A) the amount that will be required for distribution under the Interest Proceeds Priority of Payments for the payment of Trustee Fees and Expenses and Administrative Expenses on the next following Payment Date and (B) the amount required for distribution under the Interest Proceeds Priority of Payments as accrued and unpaid Interest on the Rated Notes; (ix) the aggregate principal amount of the Refinancing Obligations is equal to the aggregate Principal Amount Outstanding of the Class or Classes of Notes being redeemed with the Refinancing Proceeds and the Partial Redemption Interest Proceeds; (x) the maturity date of each class of Refinancing Obligation is the same as the Maturity Date of the Class or Classes of Rated Notes being redeemed with the Refinancing Proceeds; (xi) the interest rate of any Refinancing Obligations will not be greater than the interest rate of the Rated Notes subject to such Optional Redemption (taking into account any discount issuance); (xii) payments in respect of the Refinancing Obligations are subject to the Priorities of Payments and rank at the same priority pursuant to the Priorities of Payments as the relevant Class or Classes of Rated Notes being redeemed; (xiii) the voting rights, consent rights, redemption rights (other than any modification to remove the right of the Subordinated Noteholder or any other party to direct the Issuer to redeem by refinancing such Refinancing Obligations) and all other rights of the Refinancing Obligations are the same as the rights of the corresponding Class of Rated Notes being redeemed; (xiv) all Refinancing Proceeds and Partial Redemption Interest Proceeds are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date; and (xv) any issuance of replacement notes would not result in non-compliance with the EU Retention Requirements or the U.S. Risk Retention Rules.

If a Refinancing is obtained meeting the requirements of the Trust Deed, the Issuer and, at the direction of the Collateral Manager, the Trustee shall amend the Trust Deed and the other Transaction Documents to the extent that the Issuer certifies (upon which certification the Trustee shall rely absolutely and without further enquiry or liability) it is necessary to reflect the terms of the Refinancing, subject as provided below. No further consent for such amendments shall be required from the holders of 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.

Subject to the conditions set out in Condition 7(g) (*Redemption Following Note Tax Event*), the Notes shall also be redeemed on any Payment Date in whole but not in part at the applicable Redemption Prices at the written direction of (x) the Controlling Class or (y) the Subordinated Noteholders, in each case acting by way of Extraordinary Resolution, following the occurrence of a Note Tax Event.

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 Collateral Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realised value of the Collateral Obligations sold. Investors should note that the Notes may be redeemed on a date other than a scheduled Payment Date and the Issuer will not be responsible for any resulting expenses or costs an investor may incur in terminating any financing or hedging arrangements it has entered into in relation to the Notes.

4.4. The Notes are subject to Special Redemption at the Option of the Collateral Manager

The Notes will be subject to redemption in part by the Issuer on any Payment Date during the Reinvestment Period if the Collateral Manager certifies to the Trustee that it has been unable, for a period of at least 30 consecutive Business Days, to identify Substitute Collateral Obligations that are deemed appropriate by the Collateral Manager in its sole discretion which meet the Eligibility Criteria and, 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

Substitute Collateral Obligations. On the Special Redemption Date, the Special Redemption Amount will be applied in accordance with the Priorities of Payments. Application of funds in such manner will result in holders of the Notes being repaid, at least in part, prior to the Maturity Date and could result in a reduction of amounts ultimately available to make payments with respect to the Notes.

4.5. Mandatory Redemption of the Rated Notes

Certain mandatory redemption arrangements may result in an elimination, deferral or reduction in the interest payments or principal repayments made to the Noteholders of the Rated Notes or the level of the returns to the Subordinated Noteholders, as provided in more detail below.

If either of the Class A/B Coverage Tests are not satisfied on any Determination Date on or after the Effective Date or, in the case of the Class A/B Interest Coverage Test, on the Determination Date preceding the second Payment Date or any Determination Date thereafter, then on the Payment Date immediately following such Determination Date, Interest Proceeds and thereafter Principal Proceeds will be used, subject to the Priorities of Payments, to the extent necessary and available, to redeem the Class A Notes and, following redemption in full thereof, the Class B Notes until the Class A/B Coverage Tests are satisfied if recalculated immediately following such redemption.

If either of the Class C Coverage Tests are not satisfied on any Determination Date on or after the Effective Date or, in the case of the Class C Interest Coverage Test, on the Determination Date preceding the second Payment Date or any Determination Date thereafter, then on the Payment Date immediately following such Determination Date, Interest Proceeds and thereafter Principal Proceeds will be used, subject to the Priorities of Payments, to the extent necessary and available, to redeem the Class A Notes and, following redemption in full thereof, the Class B Notes and, following redemption in full thereof, the Class C Notes until the Class C Coverage Tests are satisfied if recalculated immediately following such redemption.

If either of the Class D Coverage Tests are not satisfied on any Determination Date on or after the Effective Date or, in the case of the Class D Interest Coverage Test, on the Determination Date preceding the second Payment Date or any Determination Date thereafter, then on the Payment Date immediately following such Determination Date, Interest Proceeds and thereafter Principal Proceeds will be used, subject to the Priorities of Payments, to the extent necessary and available, to redeem the Class A Notes and, following redemption in full thereof, the Class B Notes and, following redemption in full thereof, the Class C Notes and, following redemption in full thereof, the Class D Notes until the Class D Coverage Tests are satisfied if recalculated immediately following such redemption.

If either of the Class E Coverage Tests are not satisfied on any Determination Date on or after the Effective Date or, in the case of the Class E Interest Coverage Test, on the Determination Date preceding the second Payment Date or any Determination Date thereafter, then on the Payment Date immediately following such Determination Date, Interest Proceeds and thereafter Principal Proceeds will be used, subject to the Priorities of Payments, to the extent necessary and available, to redeem the Class A Notes and, following redemption in full thereof, the Class B Notes and, following redemption in full thereof, the Class C Notes and, following redemption in full thereof, the Class D Notes and, following redemption in full thereof, the Class E Notes until the Class E Coverage Tests are satisfied if recalculated immediately following such redemption.

If the Class F Par Value Test is not satisfied on any Determination Date on or after the Effective Date, then on the Payment Date immediately following such Determination Date, Interest Proceeds and thereafter Principal Proceeds will be used, subject to the Priorities of Payments, to the extent necessary and available, to redeem the Class A Notes and, following redemption in full thereof, the Class B Notes and, following redemption in full thereof, the Class C Notes and, following redemption in full thereof, the Class D Notes and, following redemption in full thereof, the Class E Notes and, following redemption in full thereof, the Class F Notes until the Class F Par Value Test is satisfied if recalculated immediately following such redemption.

4.6. 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 (provided such acceleration has not been rescinded or annulled) or (b) the Collateral Manager notifies the Issuer, the Rating Agencies and the Trustee that it is unable to invest in Substitute Collateral Obligations in accordance with the Collateral Management and 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.

4.7. Certain Actions May Prevent the Failure of Coverage Tests and/or an Event of Default

Investors should note that, pursuant to the Transaction Documents:

(a) at any time, subject to certain conditions, the Issuer may issue additional Notes and apply the net proceeds to acquire Collateral Obligations or (in the case of a further issuance of Subordinated Notes) apply such net proceeds as Interest Proceeds pursuant to the Interest Priority of Payments or for other Permitted Uses (see Condition 17 (*Additional Issuances*));

(b) the Collateral Manager may, pursuant to the Priorities of Payments, apply funds by either deferring, designating for reinvestment in Collateral Obligations or the purchase of Rated Notes pursuant to Condition 7(k) (*Purchase*) or irrevocably waiving all or a portion of the Collateral Management Fees that would otherwise have been payable to it or designating a Supplemental Reserve Amount;

(c) the Collateral Manager may provide the Issuer with a cash advance by way of a Collateral Manager Advance; and/or

(d) a Noteholder may, in certain circumstances, provide the Issuer with cash by way of a Contribution, to be applied toward a specified Permitted Use (or, if no direction is given by the Contributor at the time such Contribution is made, at the Collateral Manager's reasonable discretion).

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

4.8. Limited Recourse Obligations

The Notes are limited recourse obligations of the Issuer and are payable solely from amounts received in respect of the Collateral. 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 Collateral Manager, the Noteholders of any Class, the Sole Arranger, the Initial Purchaser, 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 Obligations and other Collateral for the payment of principal, discount, interest and premium, if any, thereon. There can be no assurance that the distributions on the Collateral Obligations and other Collateral 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 of the

Issuer (including the Issuer Dutch Account and the Issuer's rights under the Issuer Management Agreement) (and, in particular, no assets of the Collateral Manager, the Noteholders, the Sole Arranger, the Initial Purchaser, 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 by the Noteholders and the other Secured Parties 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.

4.9. 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, subject to and as more fully described in the Priorities of Payments. 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 Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes has been paid and are subject always to the right of the Collateral Manager on behalf of the Issuer to transfer amounts which would have been payable on the Subordinated Notes to the Supplemental Reserve Account to be applied in the acquisition of additional Collateral Obligations or in the acquisition or exercise of rights under Collateral Enhancement Obligations and the requirement to transfer amounts to the Principal Account in the event that the Reinvestment Par Value Test is not satisfied on any Measurement Date on or after the Effective Date and during the Reinvestment Period to be applied in the acquisition of Collateral Obligations to the extent necessary to cause such threshold to be satisfied, following such acquisition.

Subject to the provisos set out in Condition 10(a)(i) (*Non-payment of interest*), 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 (or, following redemption and repayment of the Class A Notes in full, the Class B Noteholders), acting by Extraordinary Resolution, may request the Trustee to accelerate the Notes pursuant to Condition 10 (*Events of Default*). However, non-payment of any Interest Amount due and payable in respect of the Class C Notes, Class D Notes, Class E Notes, Class F Notes or Subordinated Notes on any Payment Date will not constitute an Event of Default, even if such Class of Notes is the Controlling Class.

In the event of any redemption in full or acceleration 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 will also be subject to automatic redemption and/or acceleration and 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 the 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: (i) 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; (ii) the Class C Noteholders over the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders; (iii) the Class D Noteholders over the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders; (iv) the Class E Noteholders over the Class F Noteholders and the Subordinated Noteholders and (v) the Class F Noteholders over the Subordinated Noteholders. In the event that the Trustee shall receive conflicting or inconsistent requests from two or more groups of holders of the Controlling Class (or another Class is given priority as described in this paragraph), the Trustee shall give priority to the group which holds the greater amount of Notes Outstanding of such Class. The Trust Deed provides further that the Trustee will act upon the directions of the holders of the Controlling Class (or other Class given priority as described in this paragraph) in such circumstances, and shall not be obliged to consider the interests of the holders of any other Class of Notes, *provided that* such action is consistent with the applicable law and with all other provisions of the Trust Deed. See Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*). Investors should note that, notwithstanding the above, the Retention Holder has a right of veto in relation to certain matters which may be voted on by Noteholders (see "*Resolutions, Amendments and Waivers*" below).

Notwithstanding the above, at the discretion of the Issuer (or the Collateral Manager acting on its behalf), payments may be made on the Subordinated Notes out of amounts credited to the Supplemental Reserve Account, notwithstanding that the Rated Notes may still be Outstanding or that payments remain due but unpaid on such Rated Notes, pursuant to Condition 3(k)(vi) (*Supplemental Reserve Account*).

4.10. 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, the Class F Notes or the Subordinated Notes at any time, due to there being insufficient funds available to pay such interest in accordance with the applicable Priorities 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 available for such purpose in accordance with the Priorities of Payment. 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 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 the Notes should be aware that the amount and timing of payment of the principal and interest on the Collateral Obligations will depend upon the detailed terms of the documentation relating to each of the Collateral Obligations and on whether or not any Obligor thereunder defaults in its obligations.

4.11. Calculation of Floating Rate of Interest

If the relevant EURIBOR screen rate does not appear, or the relevant page is unavailable, in the manner described in Condition 6(e)(i)(2) (*Floating Rate of Interest*) there can be no guarantee that the Issuer will be able to select four Reference Banks to provide quotations, in order to determine any Floating Rate of Interest in respect of the Notes. Certain financial institutions that have historically acted as Reference Banks have indicated that they will not currently provide quotations and there can be no assurance that they will agree to do so in the future. No Reference Banks have been selected as at the date of this Prospectus.

If a EURIBOR screen rate does not appear, or the relevant page is unavailable, and the Issuer is unable to select four Reference Banks to provide quotations in the manner described in Condition 6(e)(i)(2) (*Floating Rate of Interest*), the relevant Floating Rate of Interest in respect of such Payment Date shall be determined, pursuant to Condition 6(e)(i)(3) (*Floating Rate of Interest*), as the Floating Rate of Interest in effect as at the immediately preceding Accrual Period that was determined by reference to a EURIBOR screen rate or through quotations provided by four Reference Banks. To the extent interest amounts in respect of the Notes are determined by reference to a previously calculated rate, Noteholders may be adversely affected. In such circumstances, neither the Calculation Agent nor the Trustee shall have any obligation to determine the Floating Rate of Interest on any other basis.

4.12. Reports Will Not Be Audited

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

4.13. Future Ratings of the Rated 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. In the event that 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 economic events or otherwise, Rating Agencies may undertake 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.

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

Rating Agencies may refuse to give rating agency confirmations

Historically, many actions by issuers of collateralised loan obligation vehicles (including but not limited to issuing additional securities and amending relevant agreements) have been conditioned on receipt of confirmation from the applicable rating agencies that such action would not cause the ratings on the applicable securities to be reduced or withdrawn. Recently, certain rating agencies have changed the manner and the circumstances under which they are willing to provide such confirmation and have indicated reluctance to provide confirmation in the future, regardless of the requirements of the Trust Deed and the other Transaction Documents. If the Transaction Documents require that written confirmation from a Rating Agency be obtained before certain actions may be taken and an applicable Rating Agency is unwilling to provide the required confirmation, it may be impossible to effect such action, which could result in losses being realised by the Issuer and, indirectly, by holders of the Notes.

If a Rating Agency announces or informs the Trustee, the Collateral 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 either Rating Agency has not yet confirmed its initial ratings of the applicable Rated Notes, the applicable Rated Notes will be subject to redemption in part in an amount and in the manner described under Condition 7(e) (*Redemption upon Effective Date Rating Event*). There can be no assurance that a Rating Agency will provide such rating confirmations upon request, regardless of the terms agreed to among transaction participants, or not subsequently withdraw or downgrade its ratings on one or more Classes of Rated Notes, which could materially adversely affect the value or liquidity of the Notes.

Requirements imposed on Rating Agencies could result in withdrawal of ratings if certain actions are not taken by the "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 (i) create a password protected website, (ii) 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 (iii) 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.

4.14. Average Life and Prepayment Considerations

The Maturity Date is 15 October 2031 in respect of the Notes (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 applicable 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 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 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 Obligations. Collateral Obligations may be subject to optional prepayment by the Obligor of such loans. Any disposition of a Collateral Obligation may change the composition and characteristics of the Portfolio and the rate of payment thereon and, accordingly, may affect the actual average lives of the Notes. The rate of and timing of future defaults and the amount and timing of any cash realisation from Defaulted Obligations also will affect the maturity and average lives of the Notes.

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

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, prepayment rates, default rates and recovery rates; market, financial or legal uncertainties; the timing of acquisitions of Collateral Obligations; differences in the actual allocation of Collateral Obligations among asset categories from those assumed; and mismatches between the time of accrual and receipt of Interest Proceeds from the Collateral Obligations. None of the Issuer, the Collateral Manager, the Trustee, the Sole Arranger, the Initial Purchaser, the Collateral Administrator or any other party to this transaction or any of their respective Affiliates has any obligation to update or otherwise revise any projections, forecasts or estimates, including any revisions to reflect changes in economic conditions or other circumstances arising after the date of this Prospectus or to reflect the occurrence of unanticipated events.

4.15. Volatility of the Subordinated Notes

The Subordinated Notes represent a leveraged investment in the underlying Collateral 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 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 100 per cent. 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 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.

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

4.16. 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.

4.17. 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 Obligations or Eligible Investments

contemplated by the Collateral Management and 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.

4.18. 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 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 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.

In the event that 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 held or represented by any person or persons entitled to vote which are present at such meeting and not by the aggregate Principal Amount Outstanding of all such Notes which are entitled to be voted in respect of such Resolution. 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 or Electronic 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 a Resolution. The quorum required for a meeting of Noteholders (other than an adjourned meeting or a meeting of a particular Class or Classes) to pass an Extraordinary Resolution is one or more persons holding or representing not less than 66⅔ per cent. of the aggregate Principal Amount Outstanding of each Class of 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 each Class of Notes (or the relevant Class or Classes only, if applicable). In both cases, the quorum is less at an adjourned meeting. The voting threshold at any Noteholders' meeting in respect of an Ordinary Resolution or an Extraordinary Resolution of all Noteholders is, respectively, more than 50 per cent. or at least 66⅔ per cent. of the aggregate of the Principal Amount Outstanding of the Notes of each Class represented at the meeting. Accordingly, it is likely that, at any meeting of the Noteholders, an Ordinary Resolution or an Extraordinary Resolution may be passed with less than 50 per cent. or 66⅔ per cent. respectively of all the Noteholders of each Class of Notes or relevant Class or Classes of Notes, as applicable. Such quorum provisions still, however, require considerably lower thresholds than would be required for a Written Resolution or Electronic Resolution.

Investors should note that the Retention Holder has a right of veto in relation to certain matters which may be voted upon by Noteholders. In particular, no modification or any Resolution to approve the modification of the Eligibility Criteria, the Portfolio Profile Tests, the Collateral Quality Tests, the Reinvestment Criteria or any material changes to them, in each case that could affect the Retention Holder's ability to comply with the Retention Requirements (save for those that are made to ensure

compliance with the Retention Requirements) will be effective without the consent in writing of the Retention Holder. See Condition 14(b)(x) (*Retention Holder Veto*).

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

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

Certain entrenched rights relating to the Conditions can only be amended or waived by the passing of 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 Conditions and the provisions of the Trust Deed will be binding on all such dissenting Noteholders. In addition to the Trustee's right to agree to changes to the Transaction Documents to correct a manifest error, or to changes which, in its opinion, are not materially prejudicial to the interests of the Noteholders of any Class without the consent of the Noteholders, modifications may also be made and waivers granted in respect of certain other matters, which the Trustee is obliged to consent to without the consent of the Noteholders as set out in Condition 14(c) (*Modification and Waiver*).

Furthermore, the Issuer agrees that it shall notify each Hedge Counterparty of any proposed amendment to any Transaction Document in accordance with the relevant Hedge Agreement and, if required pursuant to the terms of such Hedge Agreement, will obtain the prior consent of such Hedge Counterparty prior to effecting such amendment. Any such consent, if withheld in accordance with the terms of the applicable Hedge Agreement, may prevent the Transaction Documents from being modified in a manner beneficial to the Noteholders or in a manner required in order to ensure regulatory compliance.

4.19. Enforcement Rights Following an Event of Default

If an Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall (subject to being indemnified and/or secured and/or prefunded to its satisfaction), at the request of the Controlling Class acting by way of Extraordinary Resolution, give notice to the Issuer and the Collateral Manager that all the Notes are immediately due and repayable, *provided that* following an Event of Default described in Condition 10(a)(vi) (*Insolvency Proceedings*) of the definition thereof, 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 (subject to being indemnified and/or secured and/or prefunded to its satisfaction), if so directed by the Controlling Class acting by Extraordinary Resolution, take Enforcement Action in respect of the security over the Collateral *provided that* no such Enforcement Action may be taken by the Trustee unless: (A) it determines in accordance with Condition 11 (*Enforcement*) that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith), would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes other than the 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 Payments and the Controlling Class agrees with such determination (acting by Ordinary Resolution); or otherwise (B) (i) in the case of an Event of Default specified in sub-paragraphs (i), (ii), (iv) and (vi) of Condition 10(a) (*Events of Default*) the Controlling Class acting by way of Extraordinary 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 (ii) in the case of any other Event of Default, each Class of Rated Notes acting independently by way of Extraordinary Resolution may direct the Trustee to take Enforcement Action.

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 of certain Classes of Notes and, in particular, the Subordinated Notes.

4.20. Certain ERISA Considerations

Under the Plan Asset Regulation issued by the U.S. Department of Labor, as modified, if certain employee benefit plans or other retirement arrangements subject to the fiduciary responsibility provisions of Title I of 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 a class of Notes that is treated as a separate class of equity under that regulation (which could include the Class E Notes, the Class F Notes and the Subordinated Notes), the assets of the Issuer could be considered to be assets of such Plans and certain of the transactions contemplated by the Issuer could be considered "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code. See the section entitled "*Certain ERISA Considerations*" below.

4.21. 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 a QIB/QP. In addition, each Noteholder will be deemed or in some cases required to make certain representations in respect of ERISA.

The Trust Deed will provide that if, notwithstanding the restrictions on transfer contained therein (if applicable), the Issuer determines (i) that any holder of an interest in a Rule 144A Note is not a QIB/QP at the time it acquires an interest in a Rule l44A Note (any such person, a "**Non-Permitted Noteholder**"); or (ii) that any holder of an interest in a Note is a Noteholder that has made or is deemed to have made a prohibited transaction, Benefit Plan Investor, Controlling Person, Similar Law, Other Plan Law or other ERISA representation that is subsequently shown to be false or misleading or whose ownership otherwise causes a violation of the 25 per cent. limitation set out in the Plan Asset Regulation (a "**Non-Permitted ERISA Noteholder**"), the Issuer may, after determining that such person is a Non-Permitted Noteholder or Non-Permitted ERISA Noteholder, send notice to such Non-Permitted Noteholder or Non-Permitted ERISA Noteholder (as applicable) directing such Noteholder to transfer its interest to a person that is not a Non-Permitted Noteholder or Non-Permitted ERISA Noteholder (as applicable) within 30 days (or 10 days in the case of a Non-Permitted ERISA Noteholder) following receipt of such notice. If such Noteholder fails to effect the transfer required within such 30-day period (or 10-day period in the case of a Non-Permitted ERISA Noteholder), (a) the Issuer may cause such beneficial interest to be transferred to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and is not a Non-Permitted ERISA Noteholder and (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

If a Noteholder fails to provide the Noteholder FATCA Information or to the extent that its ownership of the Notes would otherwise cause the Issuer to be subject to tax under FATCA, to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or the Noteholder's ownership of Notes, the Issuer will also have the right to compel the Noteholder (except the Retention Holder) to sell its Notes, and, if the Noteholder does not sell its Notes within 10 Business Days after notice from the Issuer or any agent of the Issuer, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any costs, charges, and any taxes incurred by the Issuer in connection with such sale) to the Noteholder as payment in full for such Notes.

4.22. 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 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) and certain transferees thereof identified in Rule 3c-6 under the Investment Company Act and (b) which do not make a public offering of their securities in the United States.

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

5. RELATING TO THE COLLATERAL

5.1. The Portfolio

Any decision by a prospective holder of Notes to invest in the Notes should be informed by, among other things (including, without limitation, the identity of the Collateral Manager), the Eligibility Criteria (and Reinvestment Criteria, when applicable) which each Collateral Obligation is required to satisfy, as disclosed in this Prospectus, and by the Portfolio Profile Tests, Collateral Quality Tests, Coverage Tests, Reinvestment Par Value Test 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 immediately 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 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 Collateral 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, the Sole Arranger or the Initial Purchaser have made any investigation into the Obligors of the Collateral 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 Sole Arranger, the Initial Purchaser, the Custodian, the Collateral Manager, the Collateral Administrator, any Hedge Counterparty or any of their Affiliates are under any obligation to maintain the value of the Collateral Obligations at any particular level. None of the Issuer, the Trustee, the Custodian, the Collateral Manager, the Collateral Administrator, any Hedge Counterparty, the Sole Arranger, the Initial

Purchaser, or any of their Affiliates has any liability to the Noteholders as to the amount or value of, or any decrease in the value of, the Collateral Obligations from time to time.

5.2. Nature of Collateral; Defaults

The Issuer will invest in a portfolio of Collateral Obligations consisting at the time of acquisition of predominantly Secured Senior Loans, Unsecured Senior Loans, Second Lien Loans and Mezzanine Loans, 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, interest rate and exchange rate risks.

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

Due to the fact that the Subordinated Notes represent a leveraged investment in the underlying Collateral 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 Obligations.

The offering of the Notes has been structured so that the Rated Notes are assumed to be able to withstand certain assumed losses relating to defaults on the underlying Collateral Obligations. See "*Ratings of the Notes*". 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 Obligation securing the Notes and the Issuer sells or otherwise disposes of such Collateral 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 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 Collateral Manager (on behalf of the Issuer) to acquire or dispose of Collateral Obligations at a price and time that the Collateral 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 Obligations whose prices have risen or to acquire Collateral Obligations whose prices are on the increase; the Collateral Manager's inability to dispose fully and promptly of positions in declining markets will conversely cause its net asset value to decline as the value of unsold positions is marked to lower prices. A decrease in the market value of the Collateral Obligations would also adversely affect the proceeds of sale that could be obtained upon the sale of the Collateral 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 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.

5.3. The Warehouse Arrangements

The Issuer has purchased or entered into an agreement to purchase a substantial portion of the Portfolio on or prior to the Issue Date pursuant to the Warehouse Arrangements. The Issuer will apply part of the proceeds of the issuance of the Notes to repay the relevant lender under the Warehouse Arrangements in respect of the funding provided by it to finance the purchase of Collateral Obligations prior to the Issue Date. The prices paid for such Collateral Obligations will be the prevailing prices at the time of the execution of such trades given the market circumstances applicable on the date the Issuer entered into the commitment to purchase, which in the case of

Collateral Obligations in respect of which such commitment was entered into prior to the Issue Date pursuant to the Warehouse Arrangements may be greater or less than the market value thereof on the Issue Date. Events occurring between the date of the Issuer first acquiring, or committing to acquire, a Collateral 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 the Collateral 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 Obligations acquired prior to the Issue Date. Investors in the Notes will be assuming the risk of market value and credit quality changes in the Collateral Obligations from the date the Issuer enters into a commitment to acquire such Collateral Obligations, including during the period prior to the Issue Date.

The lenders under the Warehouse Arrangements provided financing to the Issuer to allow its acquisition of certain Collateral Obligations (the "**Warehoused Assets**"). On the Issue Date, any losses or gains (realised or unrealised) resulting from changes in the market value of the Warehoused Assets as compared to the purchase price of the Warehoused Assets will be for the account of the Issuer. Prior to the Issue Date, the participants in the Warehouse Arrangements have borne the risk of loss in value of the Warehoused Assets, but on and following the Issue Date such risk is for the account of the Issuer (and therefore the Noteholders), including in respect of the period prior to the Issue Date. The interests of the participants in the Warehouse Arrangements in respect of the Warehoused Assets may not necessarily align with, and may be directly contrary to, those of the investors in the Notes.

The financing provided pursuant to the Warehouse Arrangements, including an amount equal to the accrued but unpaid interest on Collateral Obligations as of the Issue Date, will be repaid on the Issue Date by applying part of the proceeds of the issuance of the Notes. Certain costs and expenses related to the Warehouse Arrangements, including the interest and commitment fees payable to the lender under the Warehouse Arrangements and payment of certain fees and reimbursement of certain expenses to such lender and any agents appointed in respect of the Warehouse Arrangements, will therefore be borne by the Issuer as such amounts will be paid by application of the proceeds of the issuance of the Notes.

5.4. Acquisitions of Collateral Obligations and Purchase Price for such Acquisitions

Although the Collateral Manager is required to determine in accordance with the Collateral Management and Administration Agreement if assets satisfy the Eligibility Criteria at the time of entering into a binding commitment to purchase them, it is possible that the Collateral Obligations may no longer satisfy such Eligibility Criteria on the later settlement of the acquisition thereof due to intervening events. The requirement that the Collateral Manager determines in accordance with the Collateral Management and Administration Agreement that the Eligibility Criteria are satisfied applies only at the time that any commitment to purchase a Collateral Obligation is entered into (or, in the case of Issue Date Collateral Obligations, on the Issue Date) and any failure by such Collateral Obligation to satisfy the Eligibility Criteria at a later stage will not result in any requirement to sell it or take any other action.

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 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.

5.5. Considerations Relating to the Initial Investment Period

During the Initial Investment Period, the Collateral Manager, acting on behalf of the Issuer, will seek to acquire additional Collateral Obligations or Substitute Collateral Obligations in order to satisfy each of the Coverage Tests, Collateral Quality Tests, Portfolio Profile Tests and Target Par Amount

requirement as at the Effective Date. See "*The Portfolio*". The ability to satisfy such tests and requirement will depend on a number of factors beyond the control of the Issuer and the Collateral 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 satisfied. To the extent such additional Collateral Obligations or Substitute Collateral 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 Collateral Manager (on behalf of the Issuer) to acquire such additional Collateral Obligations or Substitute Collateral Obligations could result in the non-confirmation or downgrade or withdrawal by a 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 and therefore reduce 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.

Investors should note that, during the Initial Investment Period, the Collateral Manager may apply some or all amounts standing to the credit of the First Period Reserve Account to be applied for the purchase of additional Collateral Obligations. Such application may affect the amounts which would otherwise have been payable to Noteholders and, in particular, may reduce amounts available for distribution to the Subordinated Noteholders.

5.6. Characteristics and Risks relating to the 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 Obligations which will secure the Notes will be predominantly comprised of Secured Senior Loans, Unsecured Senior Loans, Second Lien Loans and Mezzanine Loans lent to or issued by a variety of Obligors with a principal place of business in a Qualifying Country and such Obligors 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 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 Obligations will depend upon the detailed terms of the documentation relating to each of the Collateral Obligations and on whether or not any Obligor thereunder defaults in its obligations.

The subordination levels of each of the Classes of Rated Notes will be established to withstand certain assumed deficiencies in payment caused by defaults on the related Collateral 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 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 Obligations is likely to be increased to the extent that the Portfolio of Collateral 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 Obligations which are "Defaulted Obligations".

To the extent that a default occurs with respect to any Collateral Obligation and the Issuer or Trustee sells or otherwise disposes of such Collateral 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 Obligations, the potential volatility and illiquidity of the sub-investment grade high yield and leveraged loan markets means that the market value of such Collateral Obligations at any time will vary, and may vary substantially, from the price at which such Collateral Obligations were initially purchased and from the principal amount of such Collateral Obligations. Accordingly, no assurance can be given as to the amount of proceeds of any sale or disposition of such Collateral 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.

5.7. Characteristics of Senior Loans and Mezzanine Loans

The Portfolio Profile Tests provide that, as of the Effective Date, at least 95.0 per cent. of the Collateral Principal Amount must consist of Secured Senior Loans (which shall comprise for this purpose the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and the Balance standing to the credit of the Principal Account and the Unused Proceeds Account, including Eligible Investments acquired with such Balances, in each case as at the relevant Measurement Date) and not more than 5.0 per cent. of the Collateral Principal Amount can consist of Unsecured Senior Loans, Second Lien Loans and Mezzanine Loans (in aggregate). Senior Loans and Mezzanine Loans are of a type generally incurred by the Obligors thereunder in connection with highly leveraged transactions, often (although not exclusively) to finance internal growth, pay dividends or other distributions to the equity holders in the Obligor, or finance acquisitions, mergers, and/or stock purchases. As a result of the additional debt incurred by the Obligor 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 and Unsecured Senior Loans are typically at the most senior level of the capital structure with Second Lien Loans being subordinated thereto and Mezzanine Loans being subordinated to any Senior Loans or to any other senior debt of the Obligor. Secured Senior Loans 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 Loans may have the benefit of a second priority charge over such assets. Unsecured Senior Loans 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.

Mezzanine Loans 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 Loans 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 Loans 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 Loans bear interest based on a floating rate index, for example the EURIBOR Index, a certificate of deposit rate, a prime or base rate (each as defined in the applicable Underlying Instrument) or other index, which may reset daily (as most prime or base rate

indices do) or offer the Obligor 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 Loan may receive certain syndication or participation fees in connection with its purchase. Other fees payable in respect of a Senior Loan or Mezzanine Loan, which are separate from interest payments on such loan, may include facility, commitment, amendment and prepayment fees.

Senior Loans and Mezzanine Loans 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. 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 or Mezzanine Loan which is not waived by the lending syndicate normally is an event of acceleration which allows the syndicate to demand immediate repayment in full of the outstanding loan. However, although any particular Senior Loan or Mezzanine Loan may share many similar features with other loans and obligations of its type, the actual term of any Senior Loan or Mezzanine Loan 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 and Mezzanine Loans

In order to induce banks and institutional investors to invest in a Senior Loan or Mezzanine Loan, 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 Underlying Instrument including such Senior Loan or Mezzanine Loan, and the private syndication of the loan, Senior Loans and Mezzanine Loans 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 Loans 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 in the event that such assets are sold following enforcement of the security over the Collateral or otherwise. The European market for Mezzanine Loans is also generally less liquid than that for Senior Loans, resulting in increased disposal risk for such obligations.

Increased Risks for Mezzanine Loans

The fact that Mezzanine Loans are generally subordinated to any Senior Loan and potentially other indebtedness of the relevant Obligor thereunder, may have a longer maturity than such Senior Loans or 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 Loans in an enforcement situation.

Mezzanine Loans may provide that all or part of the interest accruing thereon will not be paid on a current basis but will be deferred. Mezzanine Loans 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.

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

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. Prepayments on loans may be caused by a variety of factors, which are difficult to predict. Accordingly, there exists a risk that loans 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 Obligations with comparable interest rates that satisfy 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 Obligations with comparable interest rates that satisfy the Reinvestment Criteria or (if it is able to make such reinvestments) as to the length of any delays before such investments are made.

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 and Mezzanine Loans and no assurance can be given as to the levels of default and/or recoveries that may apply to any Senior Loans and Mezzanine Loans purchased by the Issuer. As referred to above, although any particular Senior Loan and Mezzanine Loan often will share many similar features with other loans and obligations of its type, the actual terms of any particular Senior Loan or Mezzanine 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 and Mezzanine 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 Loans 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 Loans 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 Obligation becoming a Defaulted Obligation, such Defaulted Obligation may become subject to either substantial workout negotiations or restructuring, which may entail, among other things, a substantial change in the interest rate, a substantial write-down of principal, a conversion of some or all of the principal debt into equity, or an extension of its maturity, and a substantial change in the terms, conditions and covenants with respect to such Defaulted Obligation. Junior creditors may find that a restructuring leads to the total eradication of their debt whilst the Obligor 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 Obligors with little connection to the UK. 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.

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. Recoveries on both Senior Loans and Mezzanine Loans will also be affected by the different bankruptcy regimes applicable in different European jurisdictions and the enforceability of claims against the Obligors thereunder. See 5.18 (*Insolvency Considerations relating to Collateral Obligations*) below.

Characteristics of Second Lien Loans

The Portfolio Profile Tests provide that not more than 5.0 per cent. of the Collateral Principal Amount can consist of Second Lien Loans (together with Unsecured Senior Loans and Mezzanine Loans in aggregate). Each Second Lien Loan will be secured by a pledge of collateral, 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 (i) exercise remedies against the collateral with respect to their second liens; (ii) challenge any exercise of remedies against the collateral by the first lien lenders with respect to their first liens; (iii) challenge the enforceability or priority of the first liens on the collateral; and (iv) exercise certain other secured creditor rights, both before and during a bankruptcy of the Obligor. In addition, during a bankruptcy of any Obligor, the holder of a Second Lien Loan may be required to give advance consent to (a) any use of cash collateral approved by the first lien creditors; (b) 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 (c) debtor-in-possession financings.

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

Characteristics of Unsecured Senior Loans

The Portfolio Profile Tests provide that not more than 5.0 per cent. of the Collateral Principal Amount can consist of Unsecured Senior Loans (together with Second Lien Loans and Mezzanine Loans in aggregate). Such Collateral Obligations generally have greater credit, insolvency and liquidity risk than is typically associated with secured obligations. Unsecured Senior Loans will generally have lower rates of recovery than secured obligations following a default. Also, if the insolvency of an Obligor of any Unsecured Senior Loan occurs, the holders of such obligation will be considered general, unsecured creditors of the Obligor and will have fewer rights than secured creditors of the Obligor.

Investing in Cov-Lite Loans involves certain risks

The Portfolio Profile Tests provide that not more than 20.0 per cent. of the Collateral Principal Amount can consist of Cov-Lite Loans. Cov-Lite Loans typically do not have Maintenance Covenants, they usually have incurrence covenants in the same manner as a high yield bond. 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 to trigger a default in respect of such Collateral Obligations. This makes it more likely that any default will only arise under a Cov-Lite Loan at a stage where the relevant Obligor is in a greater degree of financial distress. Such a delay may make any successful restructuring more difficult to achieve and/or result in a greater reduction in the value of the Cov-Lite Loans as a consequence of any restructuring effected in such circumstances.

5.8. Participations, Novations and Assignments

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

The purchaser of an Assignment typically succeeds to all the rights of the assigning Selling Institution and becomes entitled to the benefit of the loans and the other rights of the lender under the Underlying Instrument. The Issuer, as an assignee, will generally have the right to receive directly from the Obligor all payments of principal and interest to which it is entitled, *provided that* notice of such Assignment has been given to the Obligor. As a purchaser of an Assignment, the Issuer typically will have the same voting rights as other lenders under the applicable Underlying Instrument 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 Obligor with the terms of the Underlying Instrument, to set off claims against the Obligor 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 Obligor. The Issuer will, however, assume the credit risk of the Obligor. The Underlying Instrument 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 Underlying Instruments, 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.

The Portfolio Profile Tests provide that not more than 20.0 per cent. of the Collateral Principal Amount can consist of Participations. 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 Obligor 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 Obligor. In purchasing Participations, the Issuer generally will have no right to enforce compliance by the Obligor with the terms of the applicable Underlying Instrument 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 Obligor 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 Obligor and the Issuer may suffer a loss to the extent that the Obligor 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 in the loan, and therefore, may have limited interest in monitoring the terms of the Underlying Instrument and the continuing creditworthiness of the Obligor. 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 an Obligor. 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 Institution 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 Obligations that may comprise Participations as a proportion of the Collateral Principal Amount.

5.9. DIP Loans

The Portfolio Profile Tests provide that not more than 3.0 per cent. of the Collateral Principal Amount can consist of DIP Loans. DIP 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 involve additional risks. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that the Issuer (or the Collateral Manager on its behalf) will correctly evaluate the value of the assets securing a DIP Loan or the prospects for a successful reorganisation or similar action and accordingly the Issuer could suffer significant losses on its investments in such DIP 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 DIP 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 (if any).

5.10. Bridge Loans

The Portfolio Profile Tests provide that not more than 2.5 per cent. of the Collateral Principal Amount can consist of Bridge Loans. Bridge Loans are generally a temporary financing instrument and as such the interest rate may increase after a short period of time in order to encourage an Obligor to refinance the Bridge Loan with more long-term financing. If an Obligor is unable to refinance a Bridge Loan, the interest rate may be subject to an increase and as such Bridge Loans may have greater credit and liquidity risk than other types of loans.

5.11. 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 Supplemental Reserve Account at the relevant time or out of a Collateral Manager Advance. Such Balance shall be comprised of all sums deposited therein from time to time, which will comprise each Contribution, the proceeds from additional issuances of Subordinated Notes, Collateral Enhancement Obligation Proceeds and amounts which the Collateral Manager, acting on behalf of the Issuer, determines shall be paid into the Supplemental Reserve Account pursuant to the Priorities of Payments rather than being paid to the Subordinated Noteholders. The aggregate amounts which may be credited to the Supplemental Reserve Account in accordance with the Priorities of Payments are subject to the following caps: (i) the lower of (a) €1,500,000 and (b) 50 per cent. of available Interest Proceeds in aggregate on any particular Payment Date and (ii) the cumulative maximum aggregate total in respect of all Payment Dates may not exceed €9,000,000.

To the extent that there are insufficient sums standing to the credit of the Supplemental Reserve Account from time to time to purchase or exercise rights under Collateral Enhancement Obligations which the Collateral Manager determines on behalf of the Issuer should be purchased or exercised, the Collateral Manager may, at its discretion, pay amounts required in order to fund such purchase or exercise (each such amount, a "**Collateral Manager Advance**") to such account pursuant to the terms of the Collateral Management and Administration Agreement. All such Collateral Manager Advances shall be repaid (together with interest thereon) out of Interest Proceeds and Principal Proceeds on each Payment Date pursuant to the Priorities of Payments.

The Collateral 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 the Balance standing to the credit of the Supplemental Reserve Account may also or alternatively be used to fund the purchase of additional Collateral Obligations or Substitute Collateral Obligations or other Permitted Uses. There can therefore be no assurance that the Balance standing to the credit of the Supplemental Reserve Account will be sufficient to fund the exercise of any right or option under any Collateral Enhancement Obligation at any time. The ability of the Collateral Manager (acting on behalf of the Issuer) to exercise any rights or options under any Collateral Enhancement Obligation will be dependent upon there being sufficient amounts standing to the credit of the Supplemental Reserve to pay the costs of any such exercise. If sufficient amounts are not so available, the Collateral Manager may, at its discretion, fund the payment of any shortfall by way of a Collateral Manager Advance. However, the Collateral Manager is under no obligation to make any Collateral Manager Advance. 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.

5.12. 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 in respect of any such payments. Each such counterparty is required to satisfy the applicable Rating Requirement upon entry into the applicable contract or instrument.

In the event that a Hedge Counterparty is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement, the terms of the applicable Hedge Agreement will generally provide for a termination event unless 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 strategy as results in the rating of the Rated Notes being maintained at their then current level within the remedy period specified in the ratings criteria of the Rating Agencies. There can be no assurance that the applicable Hedge Counterparty will be able to transfer its obligations to a suitable replacement counterparty or exercise any of the other aforementioned remedies within the specified remedy period. Failure to do so may result in interest rate or currency mismatches, which could adversely affect the ability to make payments on the Notes as the Issuer may not receive payments it would otherwise be entitled to from such Hedge Counterparty to cover its interest rate risk exposure or currency risk exposure in respect of Non-Euro Obligations for so long as the Issuer has not entered into a replacement Hedge Transaction (see "*Interest Rate Risk*" and "*Currency Risk*" below). For further information, see "*Hedging Arrangements*" below.

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. In the event that the Account Bank or the Custodian is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement, the

Issuer shall use its reasonable endeavours to procure the appointment of a replacement Account Bank or Custodian, as the case may be, with the applicable Rating Requirement on substantially the same terms as the Agency and Account Bank Agreement within 30 calendar days of such withdrawal or downgrade.

5.13. Concentration Risk

The Issuer will invest in a Portfolio of Collateral Obligations consisting predominantly of Senior Loans and Mezzanine Loans. 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*".

5.14. Credit Risk

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

5.15. Interest Rate Risk

Any payments of principal or interest received in respect of Collateral Obligations and not otherwise reinvested during the Reinvestment Period in additional Collateral Obligations or Substitute Collateral 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 may be a floating rate basis mismatch (including in the case of Collateral Obligations or Eligible Investments which pay a floating rate based on a benchmark other than the EURIBOR Index), maturity date mismatch, and mismatch in timing of determination of the applicable floating rate benchmark, in each case, between the Notes and the underlying Collateral Obligations and Eligible Investments. Such mismatch may be material and may change from time to time as the composition of the related Collateral Obligations and Eligible Investments changes and as the liabilities of the Issuer accrue or are repaid. As a result of such mismatches, changes in the level of the applicable floating rate benchmark could adversely affect the ability to make payments on the Notes. In addition, pursuant to the Collateral Management and Administration Agreement, the Collateral Manager, acting on behalf of the Issuer, is authorised to enter into the 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 and subject to satisfaction of the Hedging Condition, discussed in "*Commodity Pool Regulation*" above. However, the Issuer will depend on each Hedge Counterparty to perform its obligations under any Hedge Transaction to which it is a party and if any Hedge Counterparty defaults or becomes unable to perform due to insolvency or otherwise, the Issuer may not receive payments it would otherwise be entitled to from such Hedge Counterparty to cover its interest rate risk exposure. Furthermore, the terms of the Hedge Agreements may provide for the ability of the Hedge Counterparty to terminate such Hedge Agreement upon the occurrence of certain events, including related to certain regulatory matters. Any such termination in the case of an Interest Rate Hedge Transaction would result in the Issuer's exposure to interest rate exposure increasing, and may result in the Issuer being required to pay a termination amount to the relevant Hedge Counterparty. See further "*Hedging Arrangements*" below.

Interest Amounts are due and payable in respect of the Notes on a quarterly basis prior to the occurrence of a Frequency Switch Event and on a semi-annual basis following the occurrence of a

Frequency Switch Event. If a significant number of Collateral Obligations pay interest on a semi-annual or annual basis, there may be insufficient interest received to make quarterly interest payments on the Notes (at all times prior to the occurrence of a Frequency Switch Event). In order to mitigate the effects of any such timing mis-match, prior to the occurrence of a Frequency Switch Event, the Issuer will be required to hold back a portion of the interest received on Collateral Obligations which pay interest less than quarterly in order to make quarterly payments of interest on the Notes ("**Interest Smoothing**"). There can be no assurance that Interest Smoothing shall be sufficient to mitigate any timing mismatch.

There can be no assurance that the Collateral 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.

Investors should be aware that, pursuant to the Agency Agreement, the Issuer is required to pay to the Account Bank and the Custodian all costs and expenses reasonably incurred by the Account Bank in relation to the accounts of the Issuer held with the Account Bank and the Custodian arising directly from the imposition of negative deposit interest rates by the European Central Bank or any other applicable rate setting authority. Such costs and expenses will be payable as an Administrative Expense, subject to and in accordance with the Priorities of Payments, and may negatively affect the amounts payable to Noteholders.

5.16. Currency Risk

Subject to the satisfaction of the Hedging Condition and the limit in the Portfolio Profile Tests to Non-Euro Obligations comprising no more than 20.0 per cent. of the Collateral Principal Amount, the Collateral Manager, on behalf of the Issuer, may purchase Non-Euro Obligations, *provided that* such Non-Euro Obligations otherwise satisfy the Eligibility Criteria. Although the Issuer shall, subject to the satisfaction of the Hedging Condition, enter into Currency Hedge Transactions to hedge any currency exposure relating to such Non-Euro Obligations, fluctuations in exchange rates may lead to the proceeds of the Collateral Obligations being insufficient to pay all amounts due to the respective Classes of Notes.

Notwithstanding that Non-Euro Obligations are required to have associated Currency Hedge Transactions, losses may be incurred due to fluctuations in the Euro exchange rates and in the event of a default by the relevant Currency Hedge Counterparty under any such Currency Hedge Transaction. Fluctuations in Euro exchange rates may result in a decrease in value of the Portfolio for the purposes of sale thereof upon enforcement of the security over it. Furthermore, the terms of the Hedge Agreements may provide for the ability of the Hedge Counterparty to terminate such Hedge Agreement upon the occurrence of certain events, including related to certain regulatory matters. Any such termination in the case of a Currency Hedge Transaction would result in the Issuer being exposed to currency risk in respect of the related Non-Euro Obligations for so long as the Issuer has not entered into a replacement Currency Hedge Transaction, and may result in the Issuer being required to pay a termination amount to the relevant Hedge Counterparty. See further "*Hedging Arrangements*" below.

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

Defaults, trading and other events increase the risk of a mismatch between the foreign exchange Currency Hedge Transactions and the Non-Euro Obligations which may result in losses. In addition, the Collateral Manager may be limited at the time of reinvestment in the choice of Non-Euro Obligations that it is able to purchase on behalf of the Issuer because of the cost of such hedging and due to restrictions in the Collateral Management and Administration Agreement with respect to such hedging.

The Issuer will depend on each Hedge Counterparty to perform its obligations under any Currency Hedge Transaction to which it is a party and if any 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 currency risk exposure.

5.17. Reinvestment Risk and Uninvested Cash Balances

To the extent the Issuer (or the Collateral Manager on its behalf) maintains cash balances invested in short-term investments instead of higher yielding loans, 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 Collateral Manager will have discretion to dispose of certain Collateral Obligations on behalf of the Issuer and to reinvest the proceeds thereof in Substitute Collateral Obligations in compliance with the Reinvestment Criteria. In addition, during the Reinvestment Period, to the extent that any Collateral Obligations prepay or mature prior to the Maturity Date, the Collateral Manager will seek to invest the proceeds thereof in Substitute Collateral Obligations, subject to the Eligibility Criteria and the Reinvestment Criteria. The yield with respect to such Substitute Collateral Obligations will depend, among other factors, on reinvestment rates available at the time, on the availability of investments which satisfy the Eligibility Criteria and the Reinvestment Criteria and are acceptable to the Collateral Manager and on market conditions related to high yield securities and bank loans in general. The need to satisfy the Eligibility Criteria and the Reinvestment Criteria (as applicable) and identify acceptable investments may require the purchase of Collateral 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 Obligations, which will further reduce the yield of the Portfolio. Any decrease in the yield on the Portfolio will have the effect of reducing the amounts available to make distributions 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 Obligations are sold, prepaid, or mature, yields on Collateral 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 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 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 Underlying Instruments 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 Obligations. The longer the period between reinvestment of cash in Collateral 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 Obligors 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 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 Obligations owned by the Issuer on the Issue Date, the timing of purchases of additional Collateral Obligations or Substitute Collateral Obligations on and after the Issue Date and the scheduled interest payment dates of those Collateral 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.

5.18. Ratings on Collateral 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 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 Risk Obligation, a Moody's Caa Obligation or Fitch CCC 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 Collateral Management and Administration Agreement contains detailed provisions for determining the Moody's Rating and the Fitch Rating. In most instances, the Moody's Rating and the Fitch Rating will not be based on or derived from a public rating of the Obligor or the actual Collateral Obligation. In most cases, the Fitch Rating and Moody's Rating in respect of a Collateral Obligation will be based on a confidential credit estimate determined separately by Moody's and/or Fitch. Such confidential credit estimates are private and therefore not capable of being disclosed to Noteholders. In addition, some ratings will be derived by the Collateral 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 Collateral Manager. In certain cases the Moody's Rating and/or Fitch Rating of a Collateral Obligation may be derived from a rating assigned to such Collateral Obligation by a different rating agency. Such derived ratings will not reflect detailed credit analysis of the particular Collateral Obligation and may reflect a more or less conservative view of the actual credit risk of such Collateral 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 Obligation in question. Please see "*Ratings of the Notes*" and "*The Portfolio*".

5.19. Insolvency Considerations relating to Collateral Obligations

Collateral 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 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 and Mezzanine Loans entered into by Obligors in such jurisdictions. No reliable historical data is available.

5.20. 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 Obligors 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 Obligor or has assumed a degree of control over the Obligor resulting in the creation of a fiduciary duty owed to the Obligor 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 Collateral 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 an Obligor to the detriment of other creditors of such Obligor, (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 an Obligor to the detriment of other creditors of such Obligor, 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 Obligations, the Issuer may be subject to claims from creditors of an Obligor that Collateral 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 Collateral 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 Obligations that are obligations of non-United States Obligors are concerned, the laws of certain foreign jurisdictions may impose liability upon lenders or bondholders under factual circumstances similar to those described above, with consequences that may or may not be analogous to those described above under United States federal and state laws.

5.21. Collateral Manager

The Collateral Manager will be appointed by the Issuer pursuant to the Collateral Management and Administration Agreement to act as Collateral Manager to the Issuer in respect of the Portfolio pursuant to and in accordance with the parameters and criteria set out in the Collateral Management and Administration Agreement. See "*The Portfolio*" and "*Description of the Collateral Management and Administration Agreement*". The powers and duties of the Collateral Manager in relation to the Portfolio will include effecting, on behalf of the Issuer, in accordance with the provisions of the Collateral Management and Administration Agreement: (a) the acquisition of Collateral Obligations during the Reinvestment Period; (b) the sale of Collateral Obligations during the Reinvestment Period (subject to certain limits) and, at any time, upon the occurrence of certain events (including a Collateral Obligation becoming a Defaulted Obligation, a Credit Improved Obligation or a Credit Risk Obligation); and (c) the participation in restructuring and work-outs of Collateral Obligations on behalf of the Issuer. See "*The Portfolio*". Any analysis by the Collateral Manager (on behalf of the Issuer) of Obligors under Collateral 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 Obligations which are Assignments or Participations of senior and mezzanine loans and in relation to which the Collateral 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.

In addition, the Collateral Management and Administration Agreement will place significant restrictions on the Collateral Manager's ability to buy and sell Collateral Obligations, and the Collateral Manager will be required to comply with the restrictions contained in the Collateral Management and Administration Agreement. Accordingly, during certain periods or in certain

specified circumstances, the Collateral Manager may be unable to buy or sell Collateral 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 Collateral Management and Administration Agreement.

The actual performance of the Issuer will depend on numerous factors which are difficult to predict and may be beyond the control of the Collateral 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 Collateral 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**") managed or advised by the Collateral Manager or Affiliates of the Collateral Manager should not be relied upon as an indication or prediction of the performance of the Issuer. Such other CLO Vehicles 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. Because the composition of the Collateral Obligations will vary over time, the performance of the Collateral Obligations depends heavily on the skills of the Collateral Manager in analysing, selecting and managing the Collateral Obligations. As a result, the Issuer will be highly dependent on the financial and managerial experience of the investment professionals employed by the Collateral Manager who are assigned to select and manage the Collateral Obligations and perform the other obligations of the Collateral Manager under the Collateral Management and Administration Agreement. There is no assurance that such persons will continue to be employed by the Collateral Manager or involved in investment activities of the Issuer throughout the life of the transaction. The Issuer will not be a direct beneficiary of employment arrangements between the Collateral Manager and its employees, which arrangements are in any event subject to change without notice to, or the consent of, the Issuer. The loss of any such persons could have a material adverse effect on the Collateral Obligations. Furthermore, the Collateral Manager may hire replacement employees that may not have the same level of experience in selecting and managing loans and debt securities and performing such other obligations as the persons they replace. Any such change in personnel performing such obligations may have an adverse effect on the Collateral and the Issuer's ability to make payments on the Notes.

The Collateral Manager's duties and obligations under the Collateral Management and Administration Agreement will be owed solely to the Issuer (and, to the extent of the Issuer's security assignment of its rights under the Collateral Management and Administration Agreement, the Trustee). The Collateral Manager will not be in contractual privity with, and will owe no separate duties or obligations to, any of the Noteholders. Actions taken by the Collateral Manager may differentially affect the interests of the various Classes of Notes (whose Noteholders may themselves have different interests), and except as provided in the Collateral Management and Administration Agreement or the other Transaction Documents, the Collateral Manager will have no obligation to consider such differential effects or different interests.

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

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

The past performance of any portfolio or investment vehicle managed by the Collateral Manager, any of its Affiliates or their current personnel at prior places of employment may not be indicative of the results that the Issuer may be able to achieve with the Collateral Obligations. Similarly, the past performance of the Collateral Manager, any of its Affiliates and their current personnel at a prior

place of employment 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 in connection with such other portfolios or investment vehicles. There can be no assurance that the Issuer's investments will perform as well as such past investments, that the Issuer will be able to avoid losses or that the Issuer will be able to make investments similar to such past investments. In addition, such past investments may have been made utilising a capital structure and an asset mix that are different from the anticipated capital structure and/or asset mix of the Issuer. Moreover, because the investment criteria that govern investments in the Portfolio do not govern the investments and investment strategies of the Collateral Manager generally, the Portfolio, and the results it yields, are not directly comparable with, and may differ substantially from, other portfolios advised by the Collateral Manager or any of its Affiliates and its current personnel at prior places of employment.

There can be no assurance that the Collateral Manager or its Affiliates will avoid regulatory examination and possibly enforcement actions. If a governmental authority, regulatory agency or similar body takes issue with past or future practices of the Collateral Manager or any of its Affiliates, the Collateral Manager and/or such Affiliates may be at risk of regulatory sanction. Even if an investigation or proceeding did not result in a sanction or the sanction imposed against the Collateral Manager was small in monetary amount, the Collateral Manager or its Affiliates may be subject to adverse publicity relating to the investigation, proceeding or imposition of any such sanction. Any such sanctions or adverse publicity could adversely affect the ability of the Collateral Manager to perform its obligations with respect to the Collateral Obligations or in relation to the transactions contemplated by this Prospectus. Any such events or developments may adversely impact the market value and liquidity of the Notes.

5.22. No Initial Purchaser Role Post-Closing

The Initial Purchaser will take no responsibility for, and will 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 Collateral Manager or the Issuer and no authority to advise the Collateral Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Collateral Manager and the Issuer. If the Initial Purchaser or its Affiliates (other than the Collateral Manager) own Notes, they will have no responsibility to consider the interests of any other owner of Notes with respect to actions they take or refrain from taking in such capacity.

5.23. Acquisition and Disposition of Collateral Obligations

The estimated net proceeds of the issue of the Notes after payment of fees payable on or about the Issue Date and payment of certain fees and expenses and/or transfer funds to the Expense Reserve Account to meet such fees and expenses are expected to be approximately €352,900,000.00. Such proceeds will be used by the Issuer to repay the financing provided to the Issuer pursuant to the Warehouse Arrangements. The Issuer will use the remaining proceeds to acquire Collateral Obligations complying with the Eligibility Criteria during the Initial Investment Period and to transfer funds to the First Period Reserve Account on the Issue Date. The Collateral Manager's decisions concerning purchases of Collateral Obligations will be influenced by a number of factors, including market conditions and the availability of securities and loans satisfying the Eligibility Criteria, Reinvestment Criteria and the other requirements of the Collateral Management and Administration Agreement.

The failure or inability of the Collateral Manager to acquire Collateral Obligations with the proceeds of the offering or to reinvest Sale Proceeds or payments and prepayments of principal in Substitute Collateral 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 Collateral Management and Administration Agreement, the Collateral Manager may only, on behalf of the Issuer, dispose of a limited percentage of Collateral Obligations in any period of 12 calendar months and, in addition, any Collateral Obligation that meets the definition of a Defaulted

Obligation, an Exchanged Equity Security and, subject to the satisfaction of certain conditions, a Credit Risk Obligation or Credit Improved Obligation. Notwithstanding such restrictions and subject to the satisfaction of the conditions set forth in the Collateral Management and Administration Agreement, sales and purchases by the Collateral Manager of Collateral Obligations may 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 of Rated Notes.

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

5.24. Local Regulatory Requirements in Obligor Jurisdictions

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 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 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 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

5.25. Valuation Information; Limited Information

None of the Sole Arranger, the Initial Purchaser, the Collateral 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 Obligations and none of the transaction parties (including the Issuer, Trustee and Collateral Manager) will be required to provide any information other than what is required in the Trust Deed or the Collateral Management and 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 Collateral Manager may be in possession of material, non-public information with regard to the Collateral Obligations and will not be required to disclose such information to the Noteholders.

5.26. The Issuer is subject to Risks, including the Location of its Centre of Main Interest

The Issuer has its registered office in The Netherlands. As a result there is a rebuttable presumption that its centre of main interest ("**COMI**") is in The Netherlands and consequently that any main insolvency proceedings applicable to it would be governed by Dutch law. In the decision by the European Court of Justice ("**ECJ**") in relation to Eurofood IFSC Limited, the ECJ restated the presumption in Council Regulation (EC) No. 1346/2000 of 29 May 2000 on Insolvency Proceedings, that the place of a company's registered office is presumed to be the company's COMI and stated that the presumption can only be rebutted if "factors which are both objective and ascertainable by third parties enable it to be established that an actual situation exists which is different from that which locating it at the registered office is deemed to reflect". As the Issuer has its registered office in The Netherlands, currently has three Dutch managing directors and is registered for tax in The Netherlands, the Issuer does not believe that factors exist that would rebut this presumption, although

this would ultimately be a matter for the relevant court to decide, based on the circumstances existing at the time when it was asked to make that decision. If the Issuer's COMI is not located in The Netherlands, and is held to be in a different jurisdiction within the European Union, main insolvency proceedings may not be opened in The Netherlands.

6. CONFLICTS OF INTEREST

The Sole Arranger, the Initial Purchaser and the Collateral Manager are (or will be) acting in a number of capacities in connection with the transaction described herein, which may give rise to certain conflicts of interest. The following briefly summarises some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

6.1. Certain Conflicts of Interest Involving or Relating to BNP PARIBAS ASSET MANAGEMENT France SAS and its Affiliates

Investors should note that BNP PARIBAS ASSET MANAGEMENT France SAS acts in several different capacities in respect of the transaction which may give rise to certain actual or potential conflicts of interest. Each holder of the Notes will be deemed to have acknowledged the existence of such conflicts of interest and, to the fullest extent permitted by applicable law, to have waived any claims with respect to the existence of such conflicts of interest. As well as being the Collateral Manager, BNP PARIBAS ASSET MANAGEMENT France SAS (a) may (or, in the case of the Retention Notes, shall) purchase and hold Notes and (b) was indirectly involved, through its Affiliates, in the origination of some Collateral Obligations.

An affiliate of the Collateral Manager will act as the Sole Arranger and the Initial Purchaser and may have conflicts of interests as described below in "*Certain Conflicts of Interest Involving or Relating to the Initial Purchaser*". An Affiliate of the Collateral Manager was also the Senior Creditor under the Warehouse Arrangements. See further "*The Warehouse Arrangements*" above. Various potential and actual conflicts of interest may exist from the overall advisory, investment, capital markets and other activities of BNP PARIBAS ASSET MANAGEMENT France SAS, its Affiliates or any director, officer or employee of such investing for their own accounts or for the accounts of others.

The following briefly summarises various potential and actual conflicts of interest that may arise from the overall activities of BNP PARIBAS ASSET MANAGEMENT France SAS, its Affiliates and their respective clients and employees, but is not intended to be an exhaustive list of all such conflicts. References in this conflicts discussion to the Collateral Manager include its Affiliates unless otherwise specified or the context otherwise requires.

The Collateral Manager is entitled to receive a Senior Management Fee, a Subordinated Management Fee and an Incentive Collateral Management Fee from the Issuer out of proceeds received by the Issuer from the Collateral Obligations, payable in accordance with the Priorities of Payments, or, in respect of the Incentive Collateral Management Fee only, pursuant to Condition 3(k)(vi) (*Supplemental Reserve Account*).

The Collateral Manager may, in its sole discretion, agree with one or more Noteholders to rebate a portion of its Collateral Management Fees and, if such agreement is made, the Collateral Manager will not be obliged to enter into similar agreements with or to notify other Noteholders. Such rebates may affect the incentives of the Collateral Manager in managing the Collateral Obligations and may also affect the actions of the relevant Noteholders in taking any actions it may be permitted to take in respect of the Notes, including votes concerning amendments and voting against the removal and/or replacement of the Collateral Manager.

Certain inherent conflicts of interest arise from the fact that the Collateral Manager and its Affiliates provide investment management services both to the Issuer and other clients, including other collateralised debt obligation vehicles, other investment funds, and any other investment vehicles that the Collateral Manager and its Affiliates may establish from time to time (the "**Other Funds**"), as well as client accounts (including one or more managed accounts (or other similar arrangements, including those that may be structured as one or more entities) and proprietary accounts managed by

the Collateral Manager and its Affiliates in which the Issuer will not have an interest (the "**Other Accounts**"). The respective investment programs of the Issuer and the Other Accounts may or may not be substantially similar. The Collateral Manager and its Affiliates may give advice and recommend securities to Other Accounts which may differ from advice given to, or securities recommended or bought for, the Issuer, even though their investment objectives may be the same or similar to those of the Issuer.

While the Collateral Manager will seek to manage potential conflicts of interest in good faith, the portfolio strategies employed by the Collateral Manager and its Affiliates in managing their respective Other Accounts could conflict with the transactions and strategies employed by the Collateral Manager in managing on behalf of the Issuer and may affect the prices and availability of the securities and instruments in which the Issuer invests. Conversely, participation in specific investment opportunities may be appropriate, at times, for both the Issuer and Other Accounts. However, neither the Collateral Manager nor any of its Affiliates is under any obligation to offer investment opportunities of which they become aware to the Issuer or to the account of the Issuer (or share with the Issuer, or inform the Issuer of, any such transaction or any benefit received by them from any such transaction) or to inform the Issuer of any investment opportunities before offering any investment opportunities to the Other Funds or the Other Accounts. Furthermore, the Collateral Manager and/or its Affiliates may make an investment on behalf of any account that they manage or advise, or may make an investment on their own behalf, without offering the investment opportunity to or making any investment on behalf of the Issuer. The Collateral Manager and/or its Affiliates have no affirmative obligation to offer any investments to the Issuer or to inform the Issuer of any investments before offering, or engaging in, any investments for the Other Accounts or themselves. Affirmative obligations may exist or may arise in the future, whereby the Collateral Manager and/or its Affiliates are obligated to offer certain investments to the Other Accounts before or without the Collateral Manager offering those investments to the Issuer. The Collateral Manager may make investments on behalf of the Issuer in securities, or other assets, that it has declined to invest in for its own account, the account of any of its Affiliates or the account of its other clients. The Collateral Manager will endeavour to resolve conflicts with respect to investment opportunities in a manner which it deems equitable to the extent possible under the prevailing facts and circumstances.

From time to time, the Issuer and the Other Accounts may make investments at different levels of an issuer's capital structure or otherwise in different classes of an issuer's securities. Such investments may inherently give rise to conflicts of interest or perceived conflicts of interest between or among the various classes of securities that may be held by such entities.

To the extent the Issuer may hold securities that are different (including with respect to their relative seniority) from those held by an Other Account, the Collateral Manager and its Affiliates may be presented with decisions when the interests of the two funds are in conflict. If the Issuer makes or has an investment in, or through the purchase of debt obligations becomes a lender to, a company in which an Other Account has a debt or an equity investment, the Collateral Manager may have conflicting loyalties between its duties to the Issuer and to its Affiliates. In addition, conflicts may arise in determining the amount of an investment, if any, to be allocated among potential investors and the respective terms thereof. In that regard, actions may be taken for the Other Accounts that are adverse to the Issuer. In connection with negotiating senior loans and bank financings in respect of transactions sponsored by the Collateral Manager and its Affiliates, the Collateral Manager may obtain the right to participate on its own behalf (or on behalf of vehicles that it manages) in a portion of the senior term financings with respect to such transactions on an agreed upon set of terms. The Collateral Manager does not believe that the foregoing arrangements have an effect on the overall terms and conditions negotiated with the arrangers of such senior loans.

The Collateral Obligations may include obligations issued by entities in which the Collateral Manager and its Affiliates or Other Accounts have made investments, obligations the Collateral Manager and its Affiliates have assisted in structuring but in which they have or have not chosen to invest and obligations in respect of which the Collateral Manager and its Affiliates or Other Accounts participated in the original lending group and/or acted or act as an agent. In addition, the Collateral

Obligations may include obligations previously held by the Collateral Manager and its Affiliates or Other Accounts, and the Issuer may purchase Collateral Obligations from, or sell Collateral Obligations to, one or more of the Collateral Manager and its Affiliates or Other Accounts. In particular, the Issuer purchased from BNP Paribas certain Collateral Obligations on or before the Issue Date. Although any such purchase or sale must comply with certain criteria set forth in the Collateral Management and Administration Agreement and the other Transaction Documents (including the requirement that any such purchase or sale be on an arm's length basis), the Collateral Manager may take into consideration the interests of the Other Accounts when making decisions regarding the purchase and sale of Collateral Obligations on behalf of the Issuer under the Collateral Management and Administration Agreement.

The Collateral Manager and its Affiliates or Other Accounts may from time to time purchase any of the Notes (and the Collateral Manager is required, in its capacity as Retention Holder, to purchase and retain the Retention Notes). The Collateral Manager and its Affiliates or Other Accounts (other than the Collateral Manager in its capacity as Retention Holder in relation to the Retention Notes) will not be required to retain all or any part of the Notes acquired by them. As a result, the Collateral Manager may face a conflict of interest in the performance of its duties as the Collateral Manager because of the conflicting interests of the holders of the Classes of Notes that are senior to the Classes of Notes to be held by the Collateral Manager and its Affiliates or Other Accounts. In particular, the Collateral Manager may have an incentive to manage the Issuer's investments in a manner as to seek to maximise the yield on the Collateral Obligations in a manner that seeks to maximise the yield on the Subordinated Notes but which may result in an increase of defaults or volatility that adversely affects the return on one or more Classes of Secured Notes.

At any given time, Notes held by the Collateral Manager and its Affiliates or Other Accounts will be disregarded and deemed not to be Outstanding with respect to a vote to in connection with the removal of the Collateral Manager, the appointment of a successor Collateral Manager following a removal for "cause", or with respect to the assignment or delegation by the Collateral Manager of its obligations under the Collateral Management and Administration Agreement. However, at any given time, such Noteholder will be entitled to vote Notes held by them or over which they have discretionary voting authority with respect to all other matters. If the Collateral Manager and its Affiliates or Other Accounts hold or otherwise have discretionary voting authority over the requisite percentage of the Principal Amount Outstanding of the Notes, such Noteholder will control certain matters that may affect the performance of the Portfolio and the return on one or more Classes of Notes, including, without limitation, an optional redemption at the direction of the Subordinated Noteholders.

The Collateral Manager will be required to use commercially reasonable endeavours to obtain the best prices and execution for all orders placed with respect to the Collateral Obligations, considering all circumstances that are relevant in its reasonable determination. Subject to the objective of obtaining best prices and execution, the Collateral Manager may take into consideration research and other brokerage services furnished to it or its Affiliates by brokers and dealers that are not Affiliates of the Collateral Manager. Such services may be used by the Collateral Manager and its Affiliates and Other Accounts in connection with their other advisory activities or investment operations. The Collateral Manager may aggregate sales and purchase orders of securities placed with respect to the Collateral Obligations with similar orders being made simultaneously for other accounts managed by the Collateral Manager or with accounts of the Affiliates of the Collateral Manager if in the Collateral Manager's reasonable judgement such aggregation shall result in an overall economic benefit to the Issuer, taking into consideration the advantageous selling or purchase price, brokerage commission and other expenses.

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

The Collateral Manager and its Affiliates engage in a broad spectrum of activities. In the ordinary course of their business activities, the Collateral Manager and its Affiliates may engage in activities where the interests of certain divisions of the Collateral Manager and its Affiliates or the interests of their clients may conflict with the interests of the Noteholders. Other present and future activities of the Collateral Manager and its Affiliates may give rise to additional conflicts of interest. In the event that a conflict of interest arises, the Collateral Manager will attempt to resolve such conflicts in a fair and equitable manner. The Collateral Manager will have the power to resolve, or consent to the resolution of, conflicts of interest on behalf of, and such resolution will be binding on, the Issuer. Investors should be aware that conflicts will not necessarily be resolved in favour of the Issuer's interests.

Specified policies and procedures implemented by the Collateral Manager and its Affiliates to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions may reduce the synergies across the Collateral Manager and its Affiliates' various businesses that the Issuer expects to draw on for purposes of pursuing attractive investment opportunities. Because the Collateral Manager and its Affiliates have certain other asset management and advisory businesses, they are subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than they would otherwise be subject to if they had just one line of business. In addressing these conflicts and regulatory, legal and contractual requirements across their various businesses, the Collateral Manager and its Affiliates have implemented certain policies and procedures (e.g., information walls) that may reduce the positive synergies that the Issuer expects to utilise for purposes of finding attractive investments. For example, the Collateral Manager and its Affiliates may come into possession of material non-public information with respect to companies in which the Issuer may be considering making an investment or companies that are the Collateral Manager and its Affiliates' advisory clients. In certain situations, the Issuer's activities could be restricted even if such information, which could be of benefit to the Issuer, was not made available to the Collateral Manager. Additionally, the terms of confidentiality or other agreements with or related to companies in which any fund of the Collateral Manager and its Affiliates has or has considered making an investment or which is otherwise an advisory client of the Collateral Manager and its Affiliates may restrict or otherwise limit the ability of the Issuer to make investments in or otherwise engage in businesses or activities competitive with such companies, and the Collateral Manager and its Affiliates may enter into one or more strategic relationships in certain regions or with respect to certain types of investments that, although may be intended to provide greater opportunities for the Issuer, may require the Issuer to share such opportunities or otherwise limit the amount of an opportunity the Issuer can otherwise take.

The Collateral Manager and its Affiliates may come into possession of material non-public information with respect to an issuer. Should this occur, the Collateral Manager would be restricted from buying or selling securities or derivatives of the issuer on behalf of the Issuer until such time as the information became public or was no longer deemed material to preclude the Issuer from participating in an investment. Disclosure of such information to the Collateral Manager's personnel responsible for the affairs of the Issuer will be on a need-to-know basis only, and the Issuer may not be free to act upon any such information. Therefore, the Issuer may not have access to material non-public information in the possession of the Collateral Manager and its Affiliates which might be relevant to an investment decision to be made by the Issuer, and the Issuer may initiate a transaction or sell a Collateral Obligation which, if such information had been known to it, may not have been undertaken. Due to these restrictions, the Issuer may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an Investment that it otherwise might have sold.

The Issuer's service providers (including lenders, brokers, attorneys and investment banking firms) may be investors in Other Funds, Other Accounts and/or sources of investment opportunities and counterparties therein. This may influence the Collateral Manager or any of its Affiliates in deciding whether to select such a service provider or have other relationships with the Collateral Manager and its Affiliates. Notwithstanding the foregoing, investment transactions for the Issuer that require the use of a service provider will generally be allocated to service providers on the basis of best execution

(and possibly to a lesser extent in consideration of such service provider's provision of certain investment-related and other services that the Collateral Manager or its Affiliates believes to be of benefit for the Issuer).

Further conflicts could arise once the Issuer has made its investments. For example, if additional financing is necessary as a result of financial or other difficulties, it may not be in the best interests of the Issuer to provide such additional financing. If the other Collateral Manager's Affiliates were to lose their respective investments as a result of such difficulties, the ability of the Collateral Manager to recommend actions in the best interests of the Issuer might be impaired.

The Collateral Manager's activities (including, without limitation, the holding of securities positions or having one of its employees on the board of directors of an obligor) could result in securities law restrictions on transactions in securities held by the Issuer, affect the prices of such securities or the ability of such entities to purchase, retain or dispose of such investments, or otherwise create conflicts of interest, any of which could have an adverse impact on the performance of the Issuer and thus the return to the investors.

The Collateral Manager and its Affiliates may expand the range of services that they provide over time. Except as provided herein, the Collateral Manager and its Affiliates will not be restricted in the scope of its business or in the performance of any such services (whether now offered or undertaken in the future) even if such activities could give rise to conflicts of interest, and whether or not such conflicts are described herein. The Collateral Manager and its Affiliates have, and will continue to develop, relationships with a significant number of companies, financial sponsors and their senior managers, including relationships with clients who may hold or may have held investments similar to those intended to be made by the Issuer. These clients may themselves represent appropriate investment opportunities for the Issuer or may compete with the Issuer for investment opportunities.

The Collateral Manager and its members, partners, officers, managers and employees will devote as much of their time to the activities of the Issuer as they deem necessary and appropriate, in accordance with the Collateral Management and Administration Agreement and reasonable commercial standards. The Collateral Manager and its Affiliates or any agent or representative of any of them are not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with the Issuer and/or may involve substantial time and resources of the Collateral Manager. These activities could be viewed as creating a conflict of interest in that the time and effort of the members of the Collateral Manager and its officers and employees will not be devoted exclusively to the business of the Issuer but will be allocated between the business of the Issuer and the management of the monies of other advisees of the Collateral Manager.

The Issuer may acquire a Collateral Obligation of an Obligor in which a separate obligation has been acquired by an Other Account or the Collateral Manager or any of its Affiliates. When making such investments, the client may have conflicting interests. To the extent that the Issuer holds interests that are different (or more senior) than those held by such other vehicles, accounts and clients, the Collateral Manager may be presented with decisions involving circumstances where the interests of such vehicles, accounts and clients are in conflict with those of the Issuer. Furthermore, it is possible that the Issuer's interest may be subordinated or otherwise adversely affected by virtue of such other vehicle's, account's or client's involvement and actions relating to its investment. For example, conflicts could arise where the Issuer becomes a lender to a company where another client owns equity securities of such a company. In this circumstance, for example, if such company goes into bankruptcy, becomes insolvent or is otherwise unable to meet its payment obligations or comply with its debt covenants, conflicts of interest could arise between the holders of different types of securities as to what actions the company should take.

The officers, directors, members, managers, and employees of the Collateral Manager may trade in securities for their own accounts, subject to restrictions and reporting requirements as may be required by law or the policies of the Collateral Manager and its Affiliates, or otherwise determined from time to time by the Collateral Manager.

The Collateral Management and Administration Agreement will place significant restrictions on the Collateral Manager's ability to invest in and dispose of Collateral Obligations. Accordingly, during certain periods or in certain circumstances, the Collateral Manager may be unable as a result of such restrictions to invest in or dispose of Collateral Obligations or to take other actions that it might consider to be in the best interests of the Issuer and the holders of the Notes.

In the event of the removal of the Collateral Manager, the removed Collateral Manager will continue to receive any Senior Management Fee, Subordinated Management Fee, Incentive Collateral Management Fee and expenses accrued to the date of actual termination of its duties, whenever funds become available pursuant to the Priorities of Payments (or, in respect of the Incentive Collateral Management Fee only, Condition 3(k)(vi)(*Supplemental Reserve Account*)) to pay such amounts.

None of the Collateral Manager nor any of its Affiliates has any obligation to obtain for the Issuer any particular investment opportunity, and the Collateral Manager may be precluded from offering to the Issuer particular obligations in certain situations including, without limitation, where the Collateral Manager or its Affiliates may have a prior contractual commitment with other accounts or clients

No provision in the Collateral Management and Administration Agreement prevents the Collateral Manager or its Affiliates from rendering services of any kind to any person or entity, including the issuer of any obligation included in the Collateral Obligations and their respective Affiliates, the Trustee, the holders of the Notes and the Hedge Counterparties. Without limiting the generality of the foregoing, the Collateral Manager and its Affiliates and the directors, officers, employees and agents of the Collateral Manager and its Affiliates may, among other things: (a) serve as directors, partners, officers, employees, agents, nominees or signatories for any issuer of any obligation included in the Collateral Obligations; (b) receive fees for services rendered to the issuer of any obligation included in the Collateral Obligations or any Affiliate thereof; (c) be retained to provide services unrelated to the Collateral Management and Administration Agreement to the Issuer and be paid therefor; (d) be a secured or unsecured creditor of, or hold an equity interest in, any issuer of any obligation included in the Collateral Obligations; (e) sell or terminate any Collateral Obligations or Eligible Investments to, or purchase or enter into any Collateral Obligations from, the Issuer while acting in the capacity of principal or agent, subject to applicable law; and (f) serve as a member of any "creditors' board" with respect to any obligation included in the Collateral Obligations which has become or may become a Defaulted Obligation. Services of this kind may lead to conflicts of interest with the Collateral Manager and the Issuer and may lead individual officers or employees of the Collateral Manager to act in a manner adverse to the Issuer.

The Collateral Manager and its Affiliates may also have ongoing relationships with, render services to or engage in transactions with companies whose securities are pledged to secure the Notes and may own equity or debt securities issued by issuers of and other Obligors on Collateral Obligations. As a result, the Collateral Manager and its Affiliates may possess information relating to issuers of Collateral Obligations which is not known to the individuals at the Collateral Manager responsible for monitoring the Collateral Obligations and performing the other obligations under the Collateral Management and Administration Agreement. In addition, the Collateral Manager and its Affiliates may invest in loans and securities that are senior to, or have interests different from or adverse to, the Collateral Obligations that are pledged to secure the Notes. It is intended that all Collateral Obligations will be purchased and sold by the Issuer on terms prevailing in the market.

In addition, the Collateral Manager and its Affiliates may own equity or other securities of Obligors of Collateral Obligations and may have provided investment advice, investment management and other services to Obligors of Collateral Obligations. From time to time, the Collateral Manager may, on behalf of the Issuer, purchase or sell Collateral Obligations through the Initial Purchaser or its Affiliates. In connection with the foregoing activities, the Collateral Manager and its Affiliates may from time to time come into possession of material non-public information that limits the ability of the Collateral Manager to effect a transaction for the Issuer, and the Issuer's investments may be constrained as a consequence of the Collateral 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.

The Issuer may invest in the securities of companies Affiliated with the Collateral Manager and its Affiliates or companies in which the Collateral Manager or its Affiliates have an equity or participation interest. The purchase, holding and sale of such investments by the Issuer may enhance the profitability of the Collateral Manager and its Affiliates' own investments in such companies. It is possible that one or more Affiliates of the Collateral Manager may also act as counterparty with respect to one or more Participations.

There is no limitation or restriction on the Collateral Manager or any of its Affiliates with regard to acting as collateral manager (or in a similar role) to other parties or persons. This and other future activities of the Collateral Manager and/or its Affiliates may give rise to additional conflicts of interest.

6.2. Certain Conflicts of Interest Involving or Relating to the Initial Purchaser

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

An affiliate of the Initial Purchaser will act as Collateral Manager and may have conflicts of interests as described above in "*Certain Conflicts of Interest Involving or Relating to BNP PARIBAS ASSET MANAGEMENT France SAS and its Affiliates*".

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 elect in its sole discretion to rebate a portion of its fees in respect of the Notes to certain investors, including the Collateral Manager. 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 BNPP 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 BNPP 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 BNPP Parties may provide also include providing or arranging financing (or acting as a service provider in respect of financing provided by a third party) to the Collateral Manager or an Affiliate of the Collateral Manager and such financing may directly or indirectly involve financing the Retention Notes. In the case of any such financing, the BNPP Parties may have received security over assets of the Collateral Manager, including security over the Retention Notes, resulting in the financing parties having enforcement rights and remedies in relation to such financing which may include the right to appropriate or sell the Retention Notes. In addition, the BNPP Parties may derive fees and other revenues from the arrangement and provision of any such financings. The BNPP 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 BNPP 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 BNPP 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 including, without limitation, in deciding whether to enforce its security granted in connection with any financing. Moreover, the Issuer may invest in loans of Obligors Affiliated with the BNPP Parties or in which one or more BNPP 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 BNPP Parties' own investments in such obligors.

From time to time the Collateral Manager may purchase from or sell Collateral Obligations through or to the BNPP Parties and one or more BNPP Parties may act as the selling institution with respect to participation interests and/or as a counterparty under a Hedge Agreement. The BNPP 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 BNPP 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, BNPP Parties and employees or customers of the BNPP Parties may actively trade in and/or otherwise hold long or short positions in the Notes, Collateral Obligations and Eligible Investments or enter into transactions similar to or referencing the Notes, Collateral Obligations and Eligible Investments or the Obligors thereof for their own accounts and for the accounts of their customers. If a BNPP 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 BNPP 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 BNPP 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.

By purchasing a 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.

CONDITIONS

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 and which will be incorporated by reference into the Global Certificates of each Class representing the Notes.

The issue of €215,250,000 Class A Senior Secured Floating Rate Notes due 2031 (the "**Class A Notes**"), €38,500,000 Class B Senior Secured Floating Rate Notes due 2031 (the "**Class B Notes**"), €20,500,000 Class C Senior Secured Deferrable Floating Rate Notes due 2031 (the "**Class C Notes**"), €17,500,000 Class D Senior Secured Deferrable Floating Rate Notes due 2031 (the "**Class D Notes**"), €22,850,000 Class E Senior Secured Deferrable Floating Rate Notes due 2031 (the "**Class E Notes**"), €9,450,000 Class F Senior Secured Deferrable Floating Rate Notes due 2031 (the "**Class F Notes**" and, 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 €37,600,000 Subordinated Notes due 2031 (the "**Subordinated Notes**" and, together with the Rated Notes, the "**Notes**") of BNPP AM Euro CLO 2017 B.V. (the "**Issuer**") was authorised by resolution of the board of Managing Directors of the Issuer dated 7 September 2017. The Notes are constituted by a trust deed (together with any other security document entered into in respect of the Rated Notes the "**Trust Deed**") dated on or about 12 September 2017 (the "**Issue Date**") between (amongst others) the Issuer and BNY Mellon Corporate Trustee Services Limited 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) for the Noteholders.

These terms and conditions of the Notes (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed (which includes the forms of the certificates representing the Notes). The following agreements have been entered into in relation to the Notes: (a) an agency and account bank agreement dated the Issue Date (the "**Agency and Account Bank Agreement**") between, amongst others, the Issuer, The Bank of New York Mellon S.A./N.V., Luxembourg Branch as registrar and transfer agent (respectively, the "**Registrar**" and "**Transfer Agent**", which terms shall include any successor or substitute registrar or transfer agent, respectively, appointed pursuant to the terms of the Agency and Account Bank Agreement), The Bank of New York Mellon, London Branch as principal paying agent, account bank, calculation agent and custodian (respectively, the "**Principal Paying Agent**", "**Account Bank**", "**Calculation Agent**" and "**Custodian**", which terms shall include any successor or substitute principal paying agent, account bank, calculation agent or custodian, respectively, appointed pursuant to the terms of the Agency and Account Bank Agreement) and the Trustee; (b) a Collateral Management and Administration Agreement dated the Issue Date (the "**Collateral Management and Administration Agreement**") between BNP PARIBAS ASSET MANAGEMENT France SAS as collateral manager in respect of the Portfolio (the "**Collateral Manager**", which term shall include any successor Collateral Manager appointed pursuant to the terms of the Collateral Management and Administration Agreement), the Issuer, The Bank of New York Mellon S.A./N.V., Dublin Branch as collateral administrator (the "**Collateral Administrator**", which term shall include any successor collateral administrator appointed pursuant to the terms of the Collateral Management and Administration Agreement) and The Bank of New York Mellon, London Branch as information agent (the "**Information Agent**", which term shall include any successor information agent appointed pursuant to the terms of the Collateral Management and Administration Agreement) and (c) a management agreement dated the Issue Date between the Issuer and the Managing Directors (the "**Issuer Management Agreement**"). Copies of the Trust Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement and the Retention Undertaking Letter (as defined below) are available for inspection during usual business hours at the registered office of the Issuer (presently at Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands) and at the specified office of the Transfer Agent or the Principal Paying Agent for the time being. The holders of each Class of Notes are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Trust Deed, and are deemed to have notice of all the provisions of each other Transaction Document.

1. Definitions

"**Acceleration Notice**" 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 Supplemental Reserve Account, the Counterparty Downgrade Collateral Account(s), the Currency Account(s), the Hedge Termination Account(s), the Interest Smoothing Account, the First Period Reserve Account and the Unfunded Revolver Reserve Account, all of which shall be held within the United Kingdom and in any event 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, the first Payment Date following the Refinancing) and each successive period from and including each Payment Date to, but excluding, the following Payment Date.

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

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

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

(c) without duplication, the amounts on deposit in the Principal Account and the Unused Proceeds Account (to the extent such amounts have not been designated for transfer to the Interest Account by the Collateral Manager in accordance with paragraph (4) of Condition 3(k)(iii) (*Unused Proceeds Account*)), and including the principal amount of any Eligible Investments purchased with such amounts but excluding, for the avoidance of doubt, any interest accrued on Eligible Investments; *plus*

(d) in relation to a Deferring Obligation or a Defaulted Obligation, the lesser of (i) its Moody's Collateral Value and (ii) its Fitch Collateral Value, *provided that*, in the case of a Defaulted Obligation, the value determined under this paragraph (d) of a Defaulted Obligation that has been a Defaulted Obligation for a continuous period of more than three years after the date on which it was purchased by the Issuer and continues to be a Defaulted Obligation on such date of determination shall be zero; *plus*

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

(f) the Excess CCC/Caa Adjustment Amount,

provided that:

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

(ii) in respect of paragraph (b) above, any non-Euro amounts received will be converted into Euro (A) in the case of each Non-Euro Obligation which is subject to a Currency Hedge Agreement, at the applicable Currency Hedge Transaction Exchange Rate for the related Currency Hedge Transaction and (B) in the case of each Non-Euro Obligation which is not subject to a Currency Hedge Agreement, at the Spot Rate.

"**Administrative Expenses**" means amounts due and payable by the Issuer in the following order of priority (in each case, together with any unpaid applicable value added tax (including any reverse charge value added tax) thereon whether payable to that party or the relevant tax authority):

(a) on a *pro-rata* basis and *pari passu*, to (i) the Agents pursuant to the Agency and Account Bank Agreement (including amounts by way of indemnity and payments to the Account Bank and the Custodian of all costs and expenses reasonably incurred by the Account Bank and/or the Custodian, as applicable, in relation to the accounts of the Issuer held with the Account Bank and/or the Custodian, as applicable, arising directly from the imposition of negative deposit interest rates by the European Central Bank or any other applicable rate setting authority), (ii) the Collateral Administrator and the Information Agent pursuant to the Collateral Management and Administration Agreement including amounts by way of indemnity; (iii) the Managing Directors pursuant to the Issuer Management Agreement, in each case, including amounts by way of indemnity and (iv) the Irish Stock Exchange, or such other stock exchange or exchanges upon which any of the Notes are listed from time to time;

(b) on a *pro-rata* and *pari passu* basis, to each Reporting Delegate pursuant to any Reporting Delegation Agreement (including amounts by way of indemnity);

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

(i) to any Rating Agency which may from time to time be requested to assign (i) a rating to each of the Rated Notes, or (ii) a confidential credit estimate to any of the Collateral 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) taking into account any amounts paid pursuant to paragraph (Y) below, to the independent certified public accountants, auditors, agents, counsel and other professional service providers of the Issuer (other than amounts payable to the Agents and to the Managing Directors of the Issuer in respect of fees (if any) pursuant to paragraph (a) above);

(iii) to the Collateral Manager pursuant to the Collateral Management and Administration Agreement (including, but not limited to, the indemnities provided for therein and all ordinary expenses, costs, fees, out-of-pocket expenses, brokerage fees incurred by the Collateral Manager), but excluding any Collateral Management Fees or any value added tax payable thereon and any amounts in respect of Collateral Manager Advances (and, for the avoidance of doubt, any amounts due under (xii) and (xiii) below);

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

(v) on a *pro rata* basis to any other Person in respect of any other fees or expenses contemplated in the Conditions and in the Transaction Documents or any other documents delivered pursuant to or in connection with the issue and sale of the Notes which are not otherwise provided for in this definition or in the Priorities of Payments, including, without limitation, an amount up to €25,000 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;

(vi) to the Initial Purchaser pursuant to the Subscription Agreement in respect of any indemnity payable to it thereunder;

(vii) to the payment on a *pro rata* basis of any fees, expenses or indemnity payments in relation to the restructuring of a Collateral Obligation, including but not limited to a steering or creditor committee or its legal counsel and other professional advisors relating thereto;

(viii) to the payment of any amounts necessary to enforce the orderly dissolution of the Issuer;

(ix) to the payment of any costs and expenses incurred by the Issuer in order to comply with any requirements under EMIR, AIFMD, Section 619 of the Dodd-Frank Act, the United States Commodity Exchange Act of 1936 (as amended), the CRA Regulation or the Securitisation Regulation (and, in each case, any implementing and/or delegated regulation, technical standards or guidance related thereto) (excluding any requirement to post margin to either (A) any central clearing counterparty or (B) any Hedge Counterparty (as applicable)) which are applicable to it;

(x) to the payment of any auditing or other fees, costs and expenses incurred by any Person in relation to the Warehouse Arrangements;

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

(xii) on a *pro rata* basis to any other Person (including the Collateral Manager and the Retention Holder) in connection with satisfying the Retention Requirements (but only so far as such costs or fees relate to requirements that are substantially similar to the Retention Requirements) and, for the avoidance of doubt, excluding any costs or fees related to additional due diligence or reporting requirements incurred by such Person in relation to the transactions entered into pursuant to the Transaction Documents; and

(xiii) FATCA Compliance Costs or CRS Compliance Costs;

(d) any Refinancing Costs not otherwise covered above;

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

(f) on a *pro rata* basis to the payment of all other costs, expenses and fees reasonably incurred by the Issuer without breach of the Transaction Documents (to the extent not already covered in paragraphs (a) to (e) above).

provided that:

(X) the Collateral Manager may direct (regardless of the prioritisation set out in paragraph (c) above) the payment of (A) any Rating Agency fees set out in (c)(i) above if the Collateral 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 (B) statutory audit fees set out in (c)(ii) above if the non-payment of such fees would result in the non-delivery of the statutory audit opinion causing the Notes to be de-listed from the Irish Stock Exchange, or such other stock exchange or exchanges upon which any of the Notes are listed from time to time; and

(Y) notwithstanding the order of priority above, the Collateral Manager, in its reasonable judgement, may determine and direct a payment at any time if due or required in order to ensure the delivery of certain accounting services and reports to it or the Issuer but only if amounts due to be paid under paragraphs (a) or (b) above on the Payment Date immediately following such payment have been paid or provided for in

full at the time of such payment and, if such payment would decrease an amount otherwise payable to the Initial Purchaser pursuant to paragraph (c)(vii) above, the prior consent of the Initial Purchaser is obtained.

"**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;

(b) any account, fund, client or portfolio established and controlled by such Person or an Affiliate thereof or for which such Person or an Affiliate thereof acts as the investment adviser or manager or with respect to which such Person or an Affiliate thereof exercises discretionary control thereover; and

(c) 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 paragraphs (a) or (b) above.

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

"**Agent**" means each of the Registrar, the Principal Paying Agent, 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 and Account Bank Agreement or, as the case may be, the Collateral Management and Administration Agreement and "**Agents**" shall be construed accordingly.

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

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

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

"**Appointee**" means any attorney, manager, agent, delegate or other person properly appointed by the Trustee under the Trust Deed to discharge any of its functions or to advise it in relation thereto pursuant to Clause 16.3 (*Advice*), Clause 16.18 (*Delegation*) and Clause 16.19 (*Agents*) of the Trust Deed.

"**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, an amount of €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.

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

(a) current balance of cash, demand deposits, time deposits, certificates of 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 (i) to the extent that the Hedging Condition has been satisfied and a Currency Hedge Agreement is in place, amounts standing to the credit of the Currency Account shall be converted into Euro at the relevant Currency Hedge Transaction Exchange Rate, (ii) to the extent that no Currency Hedge Agreement is in place, any balance which is denominated in a currency other than Euro shall be converted into Euro at the Spot Rate and (iii) in the event that a default as to payment of principal and/or interest has occurred and is continuing (disregarding any grace periods provided for pursuant to the terms thereof) in respect of any Eligible Investment or any material obligation of the obligor thereunder which is senior or equal in right of payment to such Eligible Investment such Eligible Investment shall have a value equal to the lesser of its Moody's Collateral Value and its Fitch Collateral Value (determined as if such Eligible Investment were a Collateral Obligation).

"**Benefit Plan Investor**" means:

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

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

(c) any entity whose underlying assets include plan assets by reason of such an employee benefit plan 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.

"**Bond**" means an obligation or security that is not a loan.

"**Bridge Loan**" shall mean any Collateral Obligation that: (i) 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; (ii) by its terms, is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings; and (iii) prior to its purchase by the Issuer, has a Moody's Rating and a Fitch Rating.

"**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 Amsterdam, Dublin and London (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, in respect of any date of determination, an amount equal to the greater of:

(a) the excess of the Aggregate Principal Balance of all Moody's Caa Obligations over an amount equal to 7.5 per cent. of the Collateral Principal Amount; and

(b) the excess of the Aggregate Principal Balance of all Fitch CCC Obligations over an amount equal to 7.5 per cent. of the Collateral Principal Amount,

in each case as determined as at such date of determination, *provided that*:

(i) in determining the Collateral Principal Amount for the purposes of paragraph (a) above, the Principal Balance of any Defaulted Obligation shall be its Moody's Collateral Value;

(ii) in determining the Collateral Principal Amount for the purposes of paragraph (b) above, the Principal Balance of any Defaulted Obligation shall be its Fitch Collateral Value;

(iii) in determining which of the Moody's Caa Obligations shall be included under part (a) above, the Moody's Caa Obligations with the lowest Market Value (expressed as a percentage of the Principal Balance of such Collateral Obligations as of the relevant date of determination) shall be deemed to constitute the excess of the aggregate Principal Balance of all Moody's Caa Obligations; and

(iv) in determining which of the Fitch CCC Obligations shall be included under part (b) above, the Fitch CCC Obligations with the lowest Market Value (expressed as a percentage of the Principal Balance of such Collateral Obligations as of the relevant date of determination) shall be deemed to constitute the excess of the aggregate Principal Balance of all Fitch CCC Obligations.

"**CCC/Caa Excess Obligations**" means, in respect of any date of determination:

(a) if the amount determined pursuant to paragraph (a) of the definition of CCC/Caa Excess is equal to or greater than the amount determined pursuant to paragraph (b) of the definition of CCC/Caa Excess, the Moody's Caa Obligations (or portion of the Principal Balance thereof) forming part of the CCC/Caa Excess; and

(b) if the amount determined pursuant to paragraph (a) of the definition of CCC/Caa Excess is less than the amount determined pursuant to paragraph (b) of the definition of CCC/Caa Excess, the Fitch CCC Obligations (or portion of the Principal Balance thereof) forming part of the CCC/Caa Excess,

as at such date of determination.

"**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 the Interest Coverage Amount by the scheduled interest payments due on the Class A Notes and the Class B Notes on the following Payment Date. For the purposes of calculating the Class A/B Interest Coverage Ratio, the expected interest income on Collateral 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 129.43 per cent.

"**Class B Noteholders**" means the holders of any Class B Notes from time to time.

"**Class C Noteholders**" means the holders of any Class C 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 Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the scheduled interest payments due on the Class A Notes, the Class B Notes and the Class C Notes on the following Payment 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 112.00 per cent.. For the purposes of calculating the Class C Interest Coverage Ratio, the expected interest income on Collateral 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 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 or 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 120.62 per cent.

"**Class D Noteholders**" means the holders of any Class D Notes from time to time.

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

"**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 the Interest Coverage Amount by the scheduled interest payments due on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes on the following Payment 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. For the purposes of calculating the Class D Interest Coverage Ratio, the expected interest income on Collateral 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 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 and the Class D Notes.

"**Class D Par Value Test**" means the test which will apply as of any Measurement Date on or 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 113.97 per cent.

"**Class E Noteholders**" means the holders of any Class E Notes from time to time.

"**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 the Interest Coverage Amount by 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 on the following Payment Date. For the purposes of calculating the Class E Interest Coverage Ratio, the expected interest income on Collateral 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 the 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 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 or after the Effective Date and which will be satisfied on such Measurement Date if the Class E Par Value Ratio is at least equal to 106.25 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 or 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 104.01 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.

"**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 and/or assigned to the Trustee from time to time for the benefit of the Secured Parties pursuant to the Trust Deed.

"**Collateral Acquisition Agreements**" means each of the agreements entered into by the Issuer in relation to the purchase by the Issuer of Collateral Obligations from time to time, including the Warehouse Arrangements.

"**Collateral Enhancement Obligation**" means any warrant or equity security, excluding Exchanged Equity Securities, but including, without limitation, warrants relating to Mezzanine Loans and any equity security received upon conversion or exchange of, or exercise of an option under, or otherwise in respect of, a Collateral Obligation, or any warrant or equity security purchased as part of a unit with a Collateral Obligation (but in all cases, excluding, for the avoidance of doubt, the Collateral Obligation), in each case:

(a) 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; and

(b) in respect of which, prior to the acquisition of such equity security or warrant, the Issuer and the Collateral Manager have received written advice of counsel of national reputation in the United States experienced in such matters and in collateralised loan obligation transactions, which advice may be based upon, among other things, interpretive letters or other formal guidance issued by any of the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Securities and Exchange Commission and/or the Commodity Futures Trading Commission (together with an officer's certificate of the Issuer or the Collateral Manager addressed to the Trustee that the advice specified in this definition has been received by the Issuer and the Collateral Manager) that the acquisition or exercise of such warrant or equity security, as applicable, will not prevent the Issuer from being a "loan securitization" and, on that basis, exempt from the definition of "covered fund" (in each case, as defined for purposes of the Volcker Rule),

provided that no Collateral Enhancement Obligation may be, or be exchangeable into, a Dutch Ineligible Security. For the avoidance of doubt, the acquisition of Collateral Enhancement Obligations will not be required to satisfy the Eligibility Criteria.

"**Collateral Enhancement Obligation Proceeds**" means all Distributions and Sale Proceeds received in respect of any Collateral Enhancement Obligation.

"**Collateral Management Fee**" means each of the Senior Management Fee, the Subordinated Management Fee and the Incentive Collateral Management Fee.

"**Collateral Manager Advance**" has the meaning given to that term in Condition 3(l) (*Collateral Manager Advances*).

"**Collateral Manager Information**" means the information under "*Description of the Collateral Manager*" and "*Risk Factors — Conflicts of Interest — Certain Conflicts of Interest Involving or Relating to BNP PARIBAS ASSET MANAGEMENT France SAS and its Affiliates*".

"**Collateral Obligation**" means any loan obligation purchased (including by way of a Participation) by or on behalf of the Issuer from time to time (or, if the context so requires, to be purchased by or on behalf of the Issuer) which is not a Bond and which the Collateral Manager determines in accordance with the Collateral Management and Administration Agreement satisfies the Eligibility Criteria at the time that any commitment to purchase is entered into by or on behalf of the Issuer (or the Participation Agreement is entered into in respect of a Participation) save for an Issue Date Collateral Obligation, which must only satisfy the Eligibility Criteria on the Issue Date. References to Collateral 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 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 Obligations in the calculation of the Portfolio Profile Tests, Collateral Quality Tests, the Coverage Tests, the Reinvestment Par Value Test and all other tests and criteria applicable to the Portfolio at any time as if such purchase had been completed. Each Collateral Obligation in respect of which the Issuer has entered into a binding commitment to sell, but in respect of which such sale has not yet settled, shall be excluded from being Collateral Obligations solely for the purpose of the calculation of the Portfolio Profile Tests, Collateral Quality Tests, the Coverage Tests, the Reinvestment Par Value Test and all other tests and criteria applicable to the Portfolio 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 Collateral 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 Obligation unless it is an Issue Date Collateral Obligation which does not satisfy the Eligibility Criteria on the Issue Date. A Restructured Obligation shall only constitute a Collateral Obligation for the purpose of the calculation of the Portfolio Profile Tests, Collateral Quality Tests, Coverage Tests and Reinvestment Par Value Test if it satisfies the Restructured Obligation Criteria and all other tests and criteria applicable to the Portfolio on the appropriate Restructuring Date.

"**Collateral Obligation Stated Maturity**" means, with respect to any Collateral Obligation or Eligible Investment, the date specified in such obligation as the fixed date on which the final payment or repayment of principal of such obligation is due and payable.

"**Collateral Principal Amount**" 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 Obligations, *provided however that* the Principal Balance of Defaulted Obligations shall be excluded in calculating the Collateral Principal Amount for the purposes only of:

  (i) the Portfolio Profile Tests and the Collateral Quality Tests unless otherwise expressly stated in the Collateral Management and Administration Agreement;

  (ii) determining whether an Event of Default has occurred in accordance with Condition 10(a)(iv) (*Collateral Obligations*); and

  (iii) where otherwise expressly stated herein or in the Transaction Documents;

(b) for the purpose solely of calculating the Collateral Management Fees, (A) the aggregate amount of all accrued and unpaid interest purchased with Principal Proceeds (other than with respect to Defaulted Obligations) and (B) without duplication with (A), obligations which are to constitute Collateral 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

Obligations as if such purchase had been completed and obligations in respect of which the Issuer has entered into a binding commitment to sell, but in respect of which such sale has not yet settled, shall be excluded from being Collateral Obligations as if such sale had been completed; and

(c) the Balances standing to the credit of the Principal Account and the Unused Proceeds Account (to the extent such amounts have not been designated for transfer to the Interest Account by the Collateral Manager in accordance with paragraph (4) of Condition 3(k)(iii) (*Unused Proceeds Account*)), and including the principal amount of any Eligible Investments purchased with such Balances but excluding, for the avoidance of doubt, any interest accrued on Eligible Investments, *provided that* for the purposes of determining the Balances herein, Principal Proceeds to be used to purchase Collateral Obligations in respect of which the Issuer has entered into a binding commitment to purchase the relevant Collateral Obligations but such purchase(s) have not yet settled shall be excluded from the Balances in the calculation of the Collateral Principal Amount as if such purchase had been completed, and Principal Proceeds to be received from Collateral Obligations in respect of which the Issuer has entered into a binding commitment to sell the relevant Collateral Obligations but such sale(s) have not yet settled shall be included in the Balances in the calculation of the Collateral Principal Amount as if such sale had been completed.

"**Collateral Quality Tests**" means the Collateral Quality Tests set out in the Collateral Management and 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 Minimum Weighted Average Recovery Rate Test;

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

(iv) the Moody's Minimum Weighted Average Floating Spread Test;

(b) so long as any Notes rated by Fitch are Outstanding:

(i) the Fitch Maximum Weighted Average Rating Factor Test;

(ii) the Fitch Minimum Weighted Average Recovery Rate Test; and

(iii) the Fitch Minimum Weighted Average Spread Test;

(c) so long as any Rated Notes are Outstanding, the Weighted Average Life Test,

each as defined in the Collateral Management and Administration Agreement.

"**Collateral Tax Event**" means, as at the date of determination, (a) interest, discount or premium payments due from the Obligors of any Collateral Obligations in relation to any Due Period to the Issuer becoming properly subject to the imposition of home jurisdiction or foreign direct taxation or withholding tax (other than where such tax is compensated for by a "gross up" provision or indemnity in the terms of the Collateral Obligation or such tax 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 tax) so that the aggregate amount of such direct or withholding tax on all Collateral Obligations in relation to such Due Period is equal to or in excess of 6 per cent. of the aggregate interest, discount or premium payments due (for the avoidance of doubt, excluding any additional payments arising as a result of the operation of any gross up provision and but for the imposition of such tax) on all Collateral Obligations in relation to such Due Period; and (b) a substitution of the Issuer or other reasonable measure would fail to remedy (a) above.

"**Commitment Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral 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.

"**Contribution**" has the meaning given to it in Condition 3(d) (*Contributions*).

"**Contributor**" has the meaning given to it in Condition 3(d) (*Contributions*).

"**Controlling Class**" means the Class A Notes or, following redemption and payment in full of the Class A Notes, the Class B Notes or, following redemption and payment in full of the Class A Notes and the Class B Notes, the Class C Notes or, following redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes, the Class D Notes or, following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Class E Notes or, 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, following redemption in full of all of the Rated Notes, the Subordinated Notes.

"**Controlling Person**" means any person (other than a Benefit Plan Investor) that has discretionary authority or control over the assets of the Issuer or who provides investment advice for a fee with respect to such assets, and any "affiliate" of any such person. An "affiliate" for the purposes of this definition means a person controlling, controlled by or under common control with such person, and control means the power to exercise a controlling influence over the management or policies of such person (other than an individual).

"**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, in respect of each Hedge Counterparty and a Hedge Agreement to which it is a party, the account of the Issuer with the Custodian into which all Counterparty Downgrade Collateral is to be deposited in respect of such Hedge Counterparty and such Hedge Agreement, each such account to be named including the name of the relevant Hedge Counterparty and with its books and records to be held within the United Kingdom and in any event held and administered outside The Netherlands.

"**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 Obligation, as determined by the Collateral Manager in accordance with the Standard of Care, that is an interest in a loan, the Underlying Instruments for which do not require the Obligors thereunder to comply with any Maintenance Covenants (regardless of whether compliance with one or more Incurrence Covenants is otherwise required by such Underlying Instruments), *provided that* if such Collateral Obligation either contains a cross-default provision to, is *pari passu* with or is senior to, another obligation (including, for the avoidance of doubt, a revolving obligation) of the Obligor that requires the Obligor to comply with one or more Maintenance Covenants, such Collateral Obligation will be deemed not to be a Cov-Lite Loan.

"**CPO Condition**" means, in respect of a Hedge Agreement or a Hedge Transaction, receipt by the Collateral Manager (with a copy to the Issuer and Trustee) of legal advice from reputable legal counsel to the effect that the entry into such arrangements shall not require any of the Issuer, its directors or officers or the Collateral Manager or its directors, officers or employees to register with the United States Commodities Futures Trading Commission as a commodity pool operator or a commodity trading advisor pursuant to the United States Commodity Exchange Act of 1936, as amended.

"**CRA Regulation**" means Regulation EC 1060/2009 on credit rating agencies, as may be amended, supplemented or replaced including any implementing and/or delegating regulation, technical standards and guidance related thereto.

"**Credit Improved Obligation**" means any Collateral Obligation which, in the Collateral Manager's reasonable judgement (which judgement will not be called into question as a result of subsequent events), has significantly improved in credit quality after it was acquired by the Issuer, which judgement may (but need not) be based on one or more of the following facts: (i) it has a market price that is greater than the price that is warranted by its terms and credit characteristics, or improved in credit quality since its acquisition by the Issuer; or (ii) with respect to which one or more of the Credit Improved Obligation Criteria applies; *provided that* at any time during a Restricted Trading Period or following the expiry of the Reinvestment Period, a Collateral Obligation will qualify as a Credit Improved Obligation only if: (i) at least one of the Credit Improved Obligation Criteria is satisfied with respect to such Collateral Obligation; or (ii) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Obligation as a Credit Improved Obligation.

"**Credit Improved Obligation Criteria**" means the criteria that will be met on any date of determination in respect of a Collateral Obligation if any of the following apply to such Collateral Obligation, as determined by the Collateral Manager in its discretion (which judgement will not be called into question as a result of subsequent events):

(a) the Sale Proceeds (excluding Sale Proceeds that constitute Interest Proceeds) of such Collateral Obligation would be at least 101.00 per cent. of the purchase price paid by the Issuer at the time of its acquisition;

(b) the price of such Collateral Obligation has changed during the period from the date on which the Issuer or the Collateral 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 selected by the Collateral Manager over the same period, as determined by the Collateral Manager;

(c) the spread over the applicable reference rate for such Collateral Obligation has been decreased in accordance with the applicable Underlying Instrument since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation, due, in each case, to an improvement in the Obligor's financial ratios or financial results;

(d) it has a projected cash flow interest coverage ratio (earnings before interest and taxes divided by cash interest expense as estimated by the Collateral Manager) of the Obligor of such Collateral Obligation that is expected to be more than 1.15 times the current year's projected cash flow interest coverage ratio;

(e) the Obligor of such Collateral Obligation has, since the Collateral Obligation was acquired, shown improved financial results, as evidenced by its latest received monthly financial report, such improvement being evidenced by, among other things, a decrease by 0.50 times in leverage or an increase by 5.00 per cent. in EBITDA;

(f) the Obligor of such Collateral Obligation since the date on which such Collateral Obligation was purchased by the Issuer has raised at least 10.00 per cent. of additional equity capital or has raised other capital that has improved the liquidity or credit standing of such Obligor;

(g) if such Collateral Obligation is a Senior Loan Obligation, the proceeds which would be received with respect to its disposition (excluding such proceeds that constitute Interest Proceeds) would be at least 101.00 per cent. of the product of its purchase price and its current Principal Balance; or

(h) it has been upgraded by any rating agency by at least one rating sub category or has been placed and remains on a watch list for possible upgrade or on positive outlook by any rating agency since it was acquired by the Issuer.

"**Credit Restructuring Amendment**" means, with respect to any Collateral Obligation, any waiver, modification, amendment or variance which would be (were it not for this definition) a Maturity Amendment and which is imposed by:

(a) a decision of a court or court-administered body of competent jurisdiction pursuant to a scheme of arrangement or other equivalent court-administered restructuring, court order or otherwise; or

(b) a binding resolution of the majority of lenders or noteholders or the controlling class (as applicable) pursuant to the relevant Underlying Instrument in relation to, or as part of, a Restructuring.

"**Credit Risk Criteria**" means the criteria that will be met on any date of determination in respect of a Collateral Obligation if any of the following apply to such Collateral Obligation, as determined by the Collateral Manager in its discretion (which judgement will not be called into question as a result of subsequent events):

(a) the price of such Collateral Obligation has changed during the period from the date on which the Issuer entered into a binding commitment to purchase such Collateral Obligation to the proposed date the Issuer intends to enter into a binding commitment to sell such Collateral Obligation by a percentage which is either at least 0.25 per cent. more negative or at least 0.25 per cent. less positive, as the case may be, than the percentage change in the average price of an Eligible Loan Index selected by the Collateral Manager over the same period, as determined by the Collateral Manager;

(b) the price of such Collateral Obligation has decreased by at least 1.00 per cent. of the price paid by the Issuer for such Collateral Obligation;

(c) the spread over the applicable reference rate for such Collateral Obligation has been increased in accordance with the applicable Underlying Instrument since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation due to a deterioration in the Obligor's financial ratios or financial results;

(d) if such Collateral Obligation has a projected cash flow interest coverage ratio (earnings before interest and taxes divided by cash interest expense as estimated by the Collateral Manager) of the Obligor of such Collateral Obligation of less than 1.00 or that is expected to be less than 0.85 times the current year's projected cash flow interest coverage ratio;

(e) its earnings before interest, taxation, depreciation and amortisation have worsened by at least 5.00 per cent. relative to such earnings as at the time that the Collateral Obligation was purchased by the Issuer, or the ratio of its total outstanding indebtedness to such earnings has increased by more than 0.50 times relative to such ratio as at the time that the Collateral Obligation was purchased by the Issuer; or

(f) such Collateral Obligation has been downgraded by any rating agency by at least one rating sub category or has been placed and remains on a watch list for possible downgrade or on negative outlook by any rating agency since it was acquired by the Issuer.

"**Credit Risk Obligation**" means any Collateral Obligation that, in the Collateral Manager's reasonable judgement (which judgement will not be called into question as a result of subsequent events), has a significant risk of declining in credit quality or price or where the relevant Obligor has failed to meet its other financial obligations or undertakings; provided that at any time during a Restricted Trading Period or following the expiry of the Reinvestment Period, a Collateral Obligation

will qualify as a Credit Risk Obligation for purposes of sales of Collateral Obligations only if: (i) at least one of the Credit Risk Criteria is satisfied with respect to such Collateral Obligation; or (ii) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Obligation as a Credit Risk Obligation.

"**CRR**" means Regulation No 2013/575/EU, as may be effective from time to time together with any amendments of any successor or replacement provisions included in any European Union directive or regulation.

"**CRR Retention Requirements**" means Part Five of the CRR, as supplemented by Commission Delegated Regulation (EU) No 625/2014, in each case as amended from time to time and including any guidance or any technical standards published in relation thereto, *provided that* any reference to the CRR Retention Requirements shall be deemed to include any successor or replacement provisions to Part Five of the CRR.

"**CRS**" means the Common Reporting Standard more fully described as the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development and any treaty, law or regulation of any other jurisdiction which facilitates the implementation of the Standard including Council Directive 2014/107/EU on the Administrative Cooperation in the Field of Taxation (DAC II).

"**CRS Compliance**" means compliance with the CRS including in terms of due diligence and reporting.

"**CRS Compliance Costs**" means the aggregate cumulative costs of the Issuer in order to achieve CRS Compliance including the fees and expenses of the Collateral Manager and any other agent or appointee appointed by or on behalf of the Issuer in respect of the Issuer's CRS Compliance.

"**Currency Account**" means the accounts with their books and records held within the United Kingdom and in any event held and administered outside The Netherlands in the name of the Issuer held with the Account Bank which shall comprise separate accounts denominated in the relevant currencies of Non-Euro Obligations, into which amounts received in respect of Non-Euro Obligations shall be paid and out of which amounts payable to a Currency Hedge Counterparty pursuant to any Currency Hedge Transaction shall be paid.

"**Currency Hedge Agreement**" means each 1992 ISDA Master Agreement (Multicurrency-Cross Border) or 2002 ISDA Master Agreement (or such other ISDA *pro forma* Master Agreement as may be published by ISDA from time to time) and the schedule relating thereto which is entered into between the Issuer and a Currency Hedge Counterparty in order to hedge exchange rate risk arising in connection with any Non-Euro Obligation, including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof and together with each confirmation entered into thereunder from time to time in respect of a Currency Hedge Transaction, as amended or supplemented from time to time, and including any Replacement Currency Hedge Agreement entered into in replacement thereof.

"**Currency Hedge Counterparty**" means any financial institution with which the Issuer has entered into a Currency Hedge Agreement or any permitted successor or assignee thereof pursuant to the terms of such Currency Hedge Agreement and *provided always that* such financial institution has the regulatory capacity as a matter of Dutch law to enter into derivatives transactions with Dutch residents.

"**Currency Hedge Issuer Termination Payment**" means any amount payable by the Issuer to a Currency Hedge Counterparty upon termination of the applicable Currency Hedge Agreement or Currency Hedge Transaction or in connection with a modification of the applicable Currency Hedge Agreement or Currency Hedge Transaction.

"**Currency Hedge Transaction**" means, in respect of each Non-Euro Obligation, a cross-currency transaction entered into in respect thereof under a Currency Hedge Agreement.

"**Currency Hedge Transaction Exchange Rate**" means the rate of exchange set out in the relevant Currency Hedge Transaction.

"**Current Pay Obligation**" means any Collateral Obligation (other than a DIP 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 Collateral Manager believes, in its reasonable business judgement, that:

(a) the Obligor of such Collateral Obligation will continue to make scheduled payments of interest thereon in cash and will pay the principal thereof in cash by maturity or as otherwise contractually due;

(b) if the Obligor is subject to a bankruptcy or insolvency proceedings, a bankruptcy court has authorised the payment of interest and principal payments when due thereunder; and

(c) the Collateral Obligation has either:

(i) a Moody's Rating of "B3" or higher;

(ii) a Moody's Rating of at least "Caa1" and a Market Value of at least 80 per cent. of its current Principal Balance; or

(iii) a Moody's Rating of at least "Caa2" and a Market Value of at least 85 per cent. of its current Principal Balance.

"**Custody Account**" means the custody account or accounts with their books and records held within the United Kingdom and in any event held and administered outside The Netherlands established on the books of the Custodian in accordance with the provisions of the Agency and Account Bank Agreement, which term shall include each cash account relating to each such Custody Account (if any).

"**Defaulted Currency Hedge Termination Payment**" means any amount payable by the Issuer to a Currency Hedge Counterparty upon termination of any Currency Hedge Transaction in respect of which the Currency Hedge Counterparty is a Defaulting Hedge Counterparty, including any due and unpaid scheduled amounts thereunder.

"**Defaulted Interest Rate Hedge Termination Payment**" means any amount payable by the Issuer to an Interest Rate Hedge Counterparty upon termination of any Interest Rate Hedge Transaction in respect of which the Interest Rate Hedge Counterparty is a Defaulting Hedge Counterparty, including any due and unpaid scheduled amounts thereunder.

"**Defaulted Obligation**" means a Collateral Obligation as determined by the Collateral Manager using judgement exercised in accordance with the Standard of Care based on circumstances at the time of determination (which judgement will not be called into question as a result of subsequent events which change the position from that which existed on the date of the original determination):

(a) in respect of which there has occurred and is continuing a default with respect to the payment of interest or principal, disregarding any waiver or forbearance thereof, *provided that* in the case of any Collateral Obligation in respect of which the Collateral Manager has confirmed to the Trustee in writing that, to the knowledge of the Collateral Manager, such default has resulted from non-credit-related causes, such Collateral Obligation shall not constitute a "Defaulted Obligation" for the greater of five Business Days or seven calendar days (but in no case beyond the passage of 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 Obligation, whether initiated under the

Obligor's local law or otherwise, and, to the knowledge of the Collateral Manager, such proceedings have not been stayed or dismissed or such Obligor has filed for protection under Chapter 11 of the United States Bankruptcy Code;

(c) in respect of which the Collateral Manager knows 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 either (A) both such other obligation and the Collateral Obligation are full recourse and unsecured obligations or (B) the other obligation ranks at least *pari passu* with the Collateral Obligation in right of payment without regard to any waiver or forbearance thereof, (other than in the case of a default that in the Collateral Manager's reasonable judgement, as certified to the Trustee in writing, is not due to credit-related causes) after the passage of five Business Days or seven calendar days, whichever is greater, but in no case beyond the passage of any grace period applicable thereto and the holders of such obligation have accelerated the maturity of all or a portion of such obligation; *provided that* (x) the Collateral Obligation shall constitute a Defaulted Obligation under this clause (c) only until, to the knowledge of the Collateral Manager, such acceleration has been rescinded and (y) a Collateral Obligation shall not constitute a Defaulted Obligation under this paragraph (c) if the Collateral Manager has notified the Rating Agencies and the Trustee in writing of its decision not to treat the Collateral Obligation as a Defaulted Obligation and Rating Agency Confirmation has been received in respect thereof;

(d) which (i) has a Moody's Rating of "Ca" or "C" or below or, in either case, had such Moody's Rating immediately prior to its withdrawal by Moody's; or (ii) has a Fitch Rating of "CC" or "C" or below or, in either case, had such Fitch Rating immediately prior to its withdrawal by Fitch;

(e) in respect of a Collateral 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 if the Issuer had a direct interest therein; or

(iii) the Selling Institution has (x) a Moody's Rating of "D" or had such Moody's Rating immediately prior to its withdrawal by Moody's or (y) a Fitch Rating of "CC" or below or "RD" or, in either case, had such Fitch Rating immediately prior to its withdrawal by Fitch;

(f) which is a Deferring Obligation that has been deferring the payment of the current cash interest due thereon for a period of twelve or more consecutive months;

(g) which the Collateral Manager, acting on behalf of the Issuer, determines in its reasonable business judgement should be treated as a Defaulted Obligation; or

(h) if the Obligor thereof offers holders of such Collateral 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 opinion of the Collateral Manager, such offer has the apparent purpose of helping the Obligor avoid default, provided, however, such obligation will not be a Defaulted Obligation under this paragraph (h) if (i) such new obligation is a Restructured Obligation and (ii) such Restructured Obligation does not otherwise constitute a Defaulted Obligation pursuant to any other paragraph of the definition hereof,

provided that (A) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to clauses (b) through (f) above if such Collateral Obligation (or, in the case of a Participation, the underlying Collateral Obligation) is a Current Pay Obligation (*provided that* the aggregate Principal

Balance of Current Pay Obligations exceeding 5.0 per cent. of the Collateral Principal Amount (for which purposes the Principal Balance of each Defaulted Obligation shall be the lower of its Moody's Collateral Value and Fitch Collateral Value) will be treated as Defaulted Obligations and, *provided further*, *that* in determining which of the Current Pay Obligations are to be treated as Defaulted Obligations under this proviso, the Current Pay Obligations with the lowest Market Value expressed as a percentage of the Principal Balance of such Collateral Obligations as of the relevant date of determination shall be deemed to constitute the excess), (B) a Collateral Obligation shall not constitute a Defaulted Obligation if such Collateral Obligation (or, in the case of a Participation, the underlying obligation) is a DIP Loan (*provided that* the Aggregate Principal Balance of DIP Loans exceeding 2.0 per cent. of the Collateral Principal Amount or, in the case of DIP Loans of a single Obligor, the Aggregate Principal Balance of such DIP Loans exceeding 2.0 per cent. of the Collateral Principal Amount, in each case, will be treated as Defaulted Obligations), and (C) any Collateral Obligation shall cease to be a Defaulted Obligation on the date such obligation no longer satisfies this definition of "Defaulted Obligation".

"**Defaulted Obligation Excess Amounts**" means, in respect of a Defaulted Obligation, the greater of:

(a) zero; and

(b) the aggregate of all recoveries (including by way of sale proceeds) in respect of such Defaulted Obligation for so long as it is a Defaulted Obligation, *minus* the sum of the Principal Balance of such Defaulted Obligation immediately outstanding prior to receipt of such amounts plus any outstanding Purchased Accrued Interest related thereto.

"**Defaulting Hedge Counterparty**" means a Hedge Counterparty which is either:

(a) the "**Defaulting Party**" in respect of an "Event of Default" (each as such terms are defined in the applicable Hedge Agreement); or

(b) the sole "**Affected Party**" in respect of either:

(i) a "**Tax Event Upon Merger**"; or

(ii) an "**Additional Termination Event**" as a result of such Hedge Counterparty failing to comply with the requirements of the Rating Agencies in the event that it (or, as relevant, its guarantor) is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement,

each such term as defined in the applicable Hedge Agreement.

"**Deferred Interest**" has the meaning given thereto in Condition 6(c) (*Deferral of Interest*).

"**Deferred Senior Collateral Management Amounts**" has the meaning given thereto in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Deferred Subordinated Collateral Management Amounts**" has the meaning given thereto in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Deferring Obligation**" means a Collateral Obligation (other than a Defaulted Obligation) that is deferring the payment of the current cash interest due thereon and has been so deferring the payment of such interest due thereon:

(a) with respect to a Collateral Obligations that has a Moody's Rating of at least "Baa3"or does not have a Moody's Rating, for the shorter of two consecutive accrual periods or one year; or

(b) with respect to a Collateral Obligation that has 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 Obligation**" means a Collateral 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 Obligation will be a Delayed Drawdown Collateral Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"**Determination Date**" means the last Business Day of each Due Period, or in the event of any redemption of the Notes or following the occurrence of an Event of Default, the applicable Redemption Date.

"**DIP Loan**" means any interest in a loan or financing facility that is acquired directly by way of assignment which is paying interest on a current basis and either:

(a) if the Obligor is organised under the laws of the United States or any State therein, is an obligation of a debtor in possession as described in § 1107 of the United States Bankruptcy Code or a trustee (if appointment of such trustee has been ordered pursuant to § 1104 of the United States Bankruptcy Code) (a "**Debtor**"), 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 (x) such DIP Loan is secured by liens on the Debtor's otherwise unencumbered assets pursuant to § 364(c)(2) of the United States Bankruptcy Code; or (y) such DIP Loan is secured by liens of equal or senior priority on property of the Debtor's estate that is otherwise subject to a lien pursuant to § 364(d) of the United States Bankruptcy Code; or (z) such DIP Loan is secured by junior liens on the Debtor's unencumbered assets and such DIP Loan is fully secured based upon a current valuation or appraisal report; or (aa) if the DIP Loan or any portion thereof is unsecured, the repayment of such DIP Loan retains priority over all other administrative expenses pursuant to § 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, is a credit facility or other advance made available to a company or group in a restructuring or insolvency process which (i) constitutes the most senior secured obligations of the entity which is the borrower thereof and either (ii) ranks *pari passu* in all respects with the other senior 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 borrower and its subsidiaries in priority to all such other senior secured indebtedness, or (iii) achieves priority over other senior secured obligations of the borrower otherwise than through the grant of security, such as pursuant to the operation of applicable insolvency legislation (including as an expense of the restructuring or insolvency process) or other applicable law.

"**Discount Obligation**" means any Collateral Obligation that is not a Swapped Non-Discount Obligation and that the Collateral Manager determines 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 Obligation (or, if such Collateral Obligation has a Moody's Rating below "B3", such Collateral Obligation is acquired by the Issuer for a purchase price of lower 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 Obligation shall cease to be a Discount Obligation at such time as the Market Value (expressed as a percentage of the Principal Balance of such Collateral Obligations as of the relevant date of determination) of such Collateral Obligation, as determined for any period of 22 consecutive Business Days since the acquisition by the Issuer of such Collateral Obligation, equals or exceeds 90 per cent. of the Principal Balance of such Collateral Obligation, *provided that* if such Collateral

Obligation is a Revolving Obligation, the purchase price of such Revolving Obligation for such purpose shall be deemed to include any amounts required to be transferred to the Unfunded Revolver Reserve Account upon acquisition of such Revolving Obligation by the Issuer.

"**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 Obligation, any Collateral Enhancement Obligation, any Eligible Investment or any Exchanged Equity Security, as applicable.

"**Dodd-Frank Act**" means the Dodd-Frank Wall Street Reform and Consumer Protection Act.

"**Domicile**" or "**Domiciled**" means with respect to any Obligor with respect to a Collateral Obligation:

(a) except as provided in clause (b) below, its country of organisation or incorporation; or

(b) the jurisdiction and the country in which, in the Collateral Manager's reasonable judgement, 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 Collateral 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 predecessor, successor or replacement agency or authority.

"**Effective Date**" means the earlier of:

(a) the date designated for such purpose by the Collateral Manager by written notice to the Trustee, the Issuer, the Rating Agencies and the Collateral Administrator pursuant to the

Collateral Management and Administration Agreement, subject to the Effective Date Determination Requirements having been satisfied or Rating Agency Confirmation of the Initial Ratings of the Rated Notes having otherwise been obtained; and

(b) 15 April 2018 or, if such date is not a Business Day, then on the next succeeding Business Day, unless it would fall in the following month, in which case it shall be the immediately preceding 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 Aggregate Principal Balance of the Collateral Obligations equalling or exceeding the Target Par Amount by such date, *provided that*, for the purposes of determining the Aggregate Principal Balance as provided above, (a) the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its (i) Moody's Collateral Value and (ii) Fitch Collateral Value, (b) obligations which are to constitute Collateral 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 Obligations as if such purchase had been completed and obligations in respect of which the Issuer has entered into a binding commitment to sell, but in respect of which such sale has not yet settled, shall be excluded from being Collateral Obligations as if such sale had been completed and (c) any repayments or prepayments of any Collateral Obligation subsequent to the date of acquisition thereof and not subsequently reinvested shall be disregarded.

"**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.

"**Effective Date Rating Event**" means:

(a) the Effective Date Determination Requirements not having been satisfied as at the Effective Date and Rating Agency Confirmation of the Initial Ratings of the Rated Notes not being received from the Rating Agencies in respect of such failure; and

(b) either the failure by the Collateral Manager (acting on behalf of the Issuer) to present a Rating Confirmation Plan to the Rating Agencies or Rating Agency Confirmation has not been obtained for the Rating Confirmation Plan,

provided that (i) any downgrade or withdrawal of any of the Initial Ratings of the Rated Notes which is not directly related to a request for confirmation thereof or which occurs after confirmation thereof by the Rating Agencies shall not constitute an Effective Date Rating Event, (ii) an Effective Date Rating Event shall have occurred if Rating Agency Confirmation of the Initial Ratings of the Rated Notes from Moody's has not been received in respect of the Effective Date, notwithstanding paragraphs (a) and/or (b) above applying and (iii) an Effective Date Rating Event shall no longer be subsisting if Rating Agency Confirmation of the Initial Ratings of the Rated Notes has been obtained.

"**Effective Date Report**" means the report to be issued by the Collateral Administrator within 10 Business Days following the Effective Date, pursuant to the terms of, and as more fully described in, the Collateral Management and Administration Agreement.

"**Electronic Resolution**" means any Resolution of the Noteholders passed by way of consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee), as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**Eligibility Criteria**" means the Eligibility Criteria specified in the Collateral Management and Administration Agreement which are required to be satisfied in respect of each Collateral Obligation acquired by the Collateral Manager (on behalf of the Issuer) at the time of entering into a binding commitment to acquire such obligation or, in the case of Issue Date Collateral Obligations, the Issue Date.

"**Eligible Investment 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;

(b) for so long any Notes rated by Fitch are Outstanding:

(i) in the case of Eligible Investments with a maturity of more than 30 days:

(A) a long-term senior unsecured debt or issuer (as applicable) credit rating of at least "AA-" from Fitch; and/or

(B) a short-term senior unsecured debt or issuer credit rating of "F1+" from Fitch; or

(C) such other ratings as confirmed by Fitch;

(ii) in the case of Eligible Investments with a maturity of 30 days or less:

(A) a long-term senior unsecured debt or issuer (as applicable) credit rating of at least "A" from Fitch; and/or

(B) a short-term senior unsecured debt or issuer credit rating of "F1" from Fitch; or

(C) such other ratings as confirmed by Fitch.

"**Eligible Investments**" means any investment denominated in Euro that is one or more of the following obligations (other than obligations which are Fixed Rate Obligations, Zero Coupon Obligations or Bonds), including, without limitation, any Eligible Investments for which the Custodian, the Trustee or the Collateral 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 by, a Qualifying Country or any agency or instrumentality of a Qualifying Country the obligations of which are expressly backed by a Qualifying Country, *provided that* such Eligible Investment is rated not less than the applicable Eligible Investment Minimum Rating at the time of such investment or contractual commitment;

(b) demand and time deposits in, certificates of deposit of, trust accounts with, bankers' acceptances issued by or, in the case of federal funds, sold by any depository institution (including the Account Bank) or trust company incorporated under the laws of a Qualifying Country with, in each case, a maturity of no more than 90 days or, following the occurrence of a Frequency Switch Event, 180 days and subject to supervision and examination by governmental banking authorities so long as the commercial paper and/or the debt obligations of such depository institution or trust company (or, in the case of the principal depository institution in a holding company system, the commercial paper or debt obligations of such holding company) at the time of such investment or contractual commitment providing for such investment have a rating of not less than the applicable Eligible Investment Minimum Rating;

(c) commercial paper having a credit rating of not less than the applicable Eligible Investment Minimum Rating and that either are bearing interest or are sold at a discount to the face amount thereof and have a maturity of not more than 92 days or, following the occurrence of a Frequency Switch Event, 183 days from their date of issuance (excluding extendible commercial paper or asset backed commercial paper);

(d) non-U.S. funds investing in the money markets rated, at all times, "AAAmmf" by Fitch and "Aaa-mf" by Moody's, or if not rated "AAAmmf" by Fitch, rated "Aaa-mf" by Moody's and "AAAm" or "AAAm-G" by S&P, *provided that* such fund issues shares, units or participations that may be lawfully acquired in The Netherlands; and

(e) any other investment similar to those described in paragraphs (a) to (d) (inclusive) above (which shall not, for the avoidance of doubt, include any obligations which are Bonds, Fixed Rate Obligations, Zero Coupon Obligations, Step-Up Coupon Obligations or Step-Down Coupon Obligations):

(i) in respect of which Rating Agency Confirmation has been received as to its inclusion in the Portfolio as an Eligible Investment; and

(ii) which has, in the case of an investment with a maturity of longer than 91 days, a long-term credit rating not less than the applicable Eligible Investment Minimum Rating,

and, in each case, such investment (1) either (A) satisfies the Permitted Securities Condition or (B) is a "cash equivalent" for the purpose of the regulations implementing the Volcker Rule in accordance with any applicable interpretive guidance thereunder and (2) provides for payment of a predetermined fixed amount of principal on maturity that is not subject to change, either (A) has a Collateral Obligation Stated Maturity (giving effect to any applicable grace period) which is the earlier of (x) 365 days and (y) the Business Day immediately preceding the next following Payment Date or (B) is capable of being liquidated at par on demand without penalty, *provided, however, that* Eligible Investments shall not include any mortgage backed security, interest only security, security subject to withholding or similar taxes, 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 Collateral Manager in its discretion) or any Dutch Ineligible Securities.

"**Eligible Loan Index**" means the S&P European Leveraged Loan Index, the Credit Suisse Western European Leveraged Loan Index or, subject to Rating Agency Confirmation from Moody's, any other index selected by the Collateral Manager.

"**EMIR**" means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, including any implementing and/or delegated regulation, technical standards and guidance related thereto.

"**Equity Security**" means any security that by its terms does not provide for periodic payments of interest at a stated coupon rate and repayment of principal at a stated maturity and any other security that is not eligible for purchase by the Issuer as a Collateral Obligation; it being understood that Equity Securities do not include Collateral Enhancement Obligations and *provided that*, unless the Permitted Securities Condition is satisfied, any Equity Security is received by the Issuer in the ordinary course of the workout, foreclosure or collection of a debt previously contracted in good faith.

"**ERISA**" means the United States Employee Retirement Income Security Act of 1974, as amended.

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

"**EURIBOR**" means the rate determined in accordance with Condition 6(e) (*Interest on the Rated Notes*):

(a) prior to the occurrence of a Frequency Switch Event, as applicable to 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 in July 2031, as applicable to three month Euro deposits; and

(c) in the case of the initial Accrual Period, as applicable to six 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, as operator of the Euroclear system.

"**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 Obligations included in the CCC/Caa Excess; *over*

(b) the aggregate for all Collateral Obligations included in the CCC/Caa Excess of the product of (i) the Market Value and (ii) the Principal Balance in each case of such Collateral Obligation,

in each case as determined as at such date of determination.

"**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 *provided that*, unless the Permitted Securities Condition is satisfied, an Equity Security is received by the Issuer in the ordinary course of the workout, foreclosure or collection of a debt previously contracted in good faith.

"**Expense Reserve Account**" means an account in the name of the Issuer with the Account Bank and with its books and records held within the United Kingdom and in any event held and administered outside The Netherlands.

"**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 Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any applicable intergovernmental agreements entered into in connection with the implementation of such Sections of the Code, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

"**FATCA Compliance**" means compliance with FATCA and any related provisions of law, court decisions, or administrative guidance, including the Issuer entering into and complying with an agreement with the Internal Revenue Service contemplated by Section 1471(b) of the Code or any comparable requirements under the intergovernmental agreement between The Netherlands and the United States and any implementing legislation thereunder, in each case as necessary so that no tax will be imposed or withheld under those sections in respect of payments to or for the benefit of the Issuer.

"**FATCA Compliance Costs**" means the aggregate cumulative costs of the Issuer of achieving FATCA Compliance, including the fees and expenses of the Collateral Manager and any other agent or appointee appointed by or on behalf of the Issuer in respect of the Issuer's FATCA Compliance.

"**First Period Reserve Account**" means the account described as such in the name of the Issuer with the Account Bank, with its books and records held within the United Kingdom and in any event held and administered outside The Netherlands.

"**Fitch**" means Fitch Ratings Limited or any successor or successors thereto.

"**Fitch CCC Obligations**" means all Collateral Obligations, excluding Defaulted Obligations, with a Fitch Rating of "CCC+" or lower.

"**Fitch Collateral Value**" means, in the case of any Collateral Obligation or Eligible Investment, the lower of:

(a) its prevailing Market Value; and

(b) its Fitch Recovery Rate,

multiplied by its Principal Balance, *provided that* if either (i) the Market Value cannot be determined for any reason or (ii) such Collateral Obligation has been a Defaulted Obligation for a period of 30 calendar days or less, then the Fitch Collateral Value shall be determined in accordance with paragraph (b) above.

"**Fitch Rating**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Fitch Recovery Rate**" means, in respect of each Collateral Obligation, the recovery rate determined in accordance with the Collateral Management and Administration Agreement or as so advised by Fitch.

"**Fitch Test Matrix**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Fixed Rate Obligation**" means a Collateral Obligation that bears a fixed rate of interest.

"**Floating Rate Obligation**" means a Collateral 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 Hedge**" means either:

(i) an Interest Rate Hedge Transaction the documentation for and structure of which conforms to a form for which Rating Agency Confirmation has been received by the Issuer or which has previously been approved by the Rating Agencies for the purposes of the transaction contemplated herein and in respect of which the Rating Agencies have not notified the Issuer or Collateral Manager that such approval has been withdrawn (in each case save for the amount and timing of periodic payments, the name of the Collateral Obligation, the notional amount, the effective date, the termination date and other consequential and immaterial changes which have been notified in writing to the Rating Agencies); or

(ii) a Currency Hedge Transaction the documentation for and structure of which conforms to a form for which Rating Agency Confirmation has been received by the Issuer or which has previously been approved by the Rating Agencies for the purposes of the transaction contemplated herein and in respect of which the Rating Agencies have not notified the Issuer or Collateral Manager that such approval has been withdrawn (in each case save for the amount and timing of periodic payments, the name of the Non-Euro Obligation, the notional amount, the effective date, the termination date and other consequential and immaterial changes which have been notified in writing to the Rating Agencies).

"**Foundation**" means Stichting BNPP AM Euro CLO 2017, a foundation (*stichting*) established under the laws of The Netherlands.

"**Frequency Switch Event**" means the occurrence of a Determination Date on which either (1) the Collateral Manager declares in its sole discretion that a Frequency Switch Event has occurred or (2) for so long as any of the Class A Notes and/or Class B Notes remain outstanding:

(a) the Aggregate Principal Balance of all Frequency Switch Obligations in respect of such Determination Date is equal to or greater than 20.0 per cent. of the Collateral Principal Amount;

(b) the ratio (expressed as a percentage) obtained by dividing:

(i) the sum of:

(A) the aggregate of scheduled and projected interest and principal payments (and any commitment fees in respect of any Revolving Obligations or Delayed Drawdown Collateral Obligations) which will be due to be paid on each Collateral Obligation during the immediately following Due Period (which, in the case of each Non-Euro Obligation, to the extent that a related Currency Hedge Agreement is in place, shall be converted into Euro at the applicable Currency Hedge Transaction Exchange Rate for the related Currency Hedge Transaction and, to the extent that no related Currency Hedge Agreement is in place, shall be converted into Euro at the Spot Rate); and

(B) the Balance standing to the credit of the Interest Smoothing Account on such Determination Date; by

(ii) the scheduled Interest Amounts which will fall due on the Class A Notes and/or Class B Notes on the second Payment Date following such Determination Date,

is less than 120.0 per cent.; and

(c) the sum of:

(i) the amount determined pursuant to paragraph (b)(i) above; and

(ii) the aggregate of scheduled and projected interest payments (and any commitment fees in respect of Revolving Obligations or Delayed Drawdown Collateral Obligations) which will be accrued but not yet paid as at the Business Day being three months following such Determination Date in respect of each Frequency Switch Obligation (which, in the case of each Non-Euro Obligation, to the extent that a related Currency Hedge Agreement is in place, shall be converted into Euro at the applicable Currency Hedge Transaction Exchange Rate for the related Currency Hedge Transaction and, to the extent that no related Currency Hedge Agreement is in place, shall be converted into Euro at the Spot Rate),

is equal to or greater than the amount determined pursuant to paragraph (b)(ii) above,

with the projected interest amounts described above being calculated in respect of such Determination Date on the basis of the following assumptions:

(X) projected interest payable on each Collateral Obligation on each future payment date thereunder during the immediately following Due Period shall be determined based on the applicable base rate and applicable margin pursuant to the relevant Underlying Instrument as determined as at such Determination Date;

(Y) the frequency of interest payments on each Collateral Obligation shall not change following such Determination Date; and

(Z) EURIBOR for the purposes of calculating Interest Amounts in respect of the Class A Notes and/or Class B Notes shall be determined as at such Determination Date.

"**Frequency Switch Obligation**" means, in respect of a Determination Date, a Collateral Obligation which has become a Semi-Annual Obligation during the Due Period related to such Determination Date as a result of a switch in the frequency of interest payments on such Collateral Obligation occurring during such Due Period in accordance with the applicable Underlying Instrument.

"**FTT**" means the financial transaction tax to be adopted in certain participating EU member states pursuant to the proposals, including a draft Directive issued by the European Commission on 14 February 2013.

"**Funded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral 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.

"**Global Certificate**" means a certificate representing one or more Notes in global, fully registered, form.

"**Hedge Agreement**" means any Interest Rate Hedge Agreement or Currency Hedge Agreement (as applicable) and "**Hedge Agreements**" means any of them.

"**Hedge Counterparty**" means any Interest Rate Hedge Counterparty or Currency Hedge Counterparty (as applicable) and "**Hedge Counterparties**" means any of them and *provided always that* such financial institution has the regulatory capacity as a matter of Dutch law to enter into derivatives transactions with Dutch residents.

"**Hedge Counterparty Termination Payment**" means the amount payable by a Hedge Counterparty to the Issuer upon termination of a Hedge Transaction (in whole or in part), but excluding any due and unpaid scheduled amounts payable thereunder.

"**Hedge Issuer Tax Credit Payments**" means any amounts payable by the Issuer to a Hedge Counterparty pursuant to the terms of a Hedge Agreement in connection with any credit against, relief or remission for, or repayment of, any tax that has been obtained or utilised by the Issuer and which is attributable to a grossed up payment made by that Hedge Counterparty as a result of or in connection with any required withholding or deduction for or on account of any tax (or to such withholding or deduction itself) (but excluding, for the avoidance of doubt, any Hedge Issuer Termination Payments).

"**Hedge Issuer Termination Payment**" means the amount payable by the Issuer to a Hedge Counterparty upon termination of a Hedge Transaction, but excluding any due and unpaid scheduled amounts payable thereunder.

"**Hedge Replacement Payment**" means any amount payable to a Hedge Counterparty by the Issuer upon entry into a Replacement Hedge Transaction which is replacing a Hedge Transaction which was terminated.

"**Hedge Replacement Receipt**" means any amount payable to the Issuer by a Hedge Counterparty upon entry into a Replacement Hedge Transaction which is replacing a Hedge Transaction which was terminated.

"**Hedge Termination Account**" means in respect of any Hedge Agreement the account of the Issuer with the Account Bank, with its books and records held within the United Kingdom and in any event held and administered outside The Netherlands, into which all Hedge Counterparty Termination Payments and Hedge Replacement Receipts relating to that Hedge Agreement will be deposited.

"**Hedge Transaction**" means any Interest Rate Hedge Transaction or any Currency Hedge Transaction (as applicable) and "**Hedge Transactions**" means any of them.

"**Hedging Condition**" means, in respect of a Hedge Agreement or a Hedge Transaction, (a) either (i) the Permitted Securities Condition is satisfied or (ii) the Issuer obtains written advice of counsel of national reputation in the United States experienced in such matters and in collateralised loan obligation transactions and a certification from the Collateral Manager that, taking into consideration the interpretive guidance provided in the preamble to the Volcker Rule, (A) the written terms of the derivative directly relate to the Collateral Obligations and the Notes and (B) such derivative reduces the interest rate and/or foreign exchange risks related to the Collateral Obligations and the Notes and (b) the CPO Condition is satisfied.

"**Incentive Collateral Management Fee**" means the fee payable to the Collateral Manager (exclusive of any value added tax thereon) pursuant to the Collateral Management and Administration Agreement on each Payment Date on which the Incentive Collateral Management Fee IRR Threshold has been met or surpassed being an amount equal to 20.0 per cent. of any Interest Proceeds and Principal Proceeds (after any payment required to satisfy the Incentive Collateral Management Fee IRR Threshold) that would otherwise be available to distribute to the Subordinated Noteholders in accordance with paragraph (CC) of the Interest Priority of Payments, paragraph (U) of the Principal Priority of Payments, paragraph (BB) of the Post-Acceleration Priority of Payments and Condition 3(k)(vi) (*Supplemental Reserve Account*). Upon the appointment of a successor Collateral Manager pursuant to the terms of the Collateral Management and Administration Agreement, the Issuer and such successor Collateral Manager may agree (subject to the approval of the Controlling Class acting by Ordinary Resolution) to amend the Incentive Collateral Management Fees, *provided that* such Incentive Collateral Management Fees are no greater than what would otherwise have been paid to the original Collateral Manager.

"**Incentive Collateral Management Fee IRR Threshold**" means the threshold which will have been reached on the relevant Payment Date if the Outstanding Subordinated Notes have received an annualised internal rate of return (computed using the "XIRR" function in Microsoft® Excel or an equivalent function in another software package and assuming for this purpose that all Subordinated Notes were purchased on the Issue Date at a price equal to the Subordinated Notes Reference Price of the principal amount thereof) of at least 12.0 per cent. on the Principal Amount Outstanding of the Subordinated Notes on the Issue Date (determined as of such Payment Date after giving effect to all payments in respect of the Subordinated Notes to be made on such Payment Date), *provided that* any additional issuances of the Subordinated Notes pursuant to Condition 17 (*Additional Issuances*) shall not be included for the purposes of calculating the Incentive Collateral Management Fee IRR Threshold.

"**Incurrence Covenant**" means, in respect of a Collateral Obligation, a covenant by any Obligor pursuant to the applicable Underlying Instrument to comply with one or more financial covenants or undertakings only upon the occurrence of certain actions of such Obligor, including a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture.

"**Initial Investment Period**" means the period from, and including, the Issue Date to, but excluding, the Effective Date.

"**Initial Purchaser**" means BNP Paribas, London Branch.

"**Initial Ratings**" means in respect of any Class of Notes and any Rating Agency, the ratings (if any) assigned to such Class of Notes by such Rating Agency as at the Issue Date and "**Initial Rating**" means each such rating.

"**Interest Account**" means an account described as such in the name of the Issuer with the Custodian, with its books and records held within the United Kingdom and in any event held and administered outside The Netherlands, into which Interest Proceeds are to be paid.

"**Interest Amount**" has the meaning specified in Condition 6(e)(ii) (*Determination of Floating Rate of Interest and Calculation of Interest Amount*).

"**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;

(b) *plus* the scheduled interest payments (and any commitment fees due but not yet received in respect of any Revolving Obligations or Delayed Drawdown Collateral Obligations), all amendment and waiver fees, all late payment fees, all syndication fees, delayed compensation and all other fees and commissions due but not yet received in respect of Collateral Obligations and Eligible Investments but only to the extent not representing Principal Proceeds (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 Obligations (which, in the case of a Non-Euro Obligation (i) to the extent that a related Currency Hedge Agreement is in place, shall be deemed to be converted into Euro at the applicable Currency Hedge Transaction Exchange Rate for the related Currency Hedge Transaction or (ii) to the extent that no Currency Hedge Agreement is in place, shall be deemed to be converted into Euro at the Spot Rate) excluding (without double counting):

  (i) accrued and unpaid interest on Defaulted Obligations or Deferring Obligations;

  (ii) interest on any Collateral Obligation to the extent that such Collateral 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 Obligation;

  (iv) any amounts expected to be withheld at source or otherwise deducted in respect of taxes (including, for the avoidance of doubt, as a result of FATCA or the FTT) except to the extent that such withholding or deduction can be prevented by an application that has been made under an applicable double tax treaty or otherwise;

  (v) any scheduled interest payments as to which the Issuer or the Collateral Manager has actual knowledge that such payment will not be made;

  (vi) any Purchased Accrued Interest; and

  (vii) any interest in respect of a PIK Obligation that has been deferred.

(c) *minus* the amounts payable pursuant to paragraphs (A) through to (F) of the Interest Priority of Payments on the following Payment Date;

(d) *minus* 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 Determination Date falls;

(e) *plus* any amounts that would be payable from the Expense Reserve Account, the Interest Smoothing Account, the First Period Reserve Account and/or the Currency Account to the

Interest Account in the Due Period relating to such Determination Date (without double counting any such amounts which have been already transferred to the Interest Account); and

(f) *plus* any Scheduled Periodic Hedge Counterparty Payments payable to the Issuer under any Interest Rate Hedge Transaction or Currency Hedge Transaction (as determined by the Issuer with the reasonable assistance of the Collateral Manager) to the extent not already included in accordance with (b) above.

For the purposes of calculating any Interest Coverage Amount, the expected or scheduled interest income on Collateral 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 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 as at the relevant Measurement Date.

"**Interest Coverage Test**" means the Class A/B Interest Coverage Test, Class C Interest Coverage Test, the Class D Interest Coverage Test and Class E Interest Coverage Test.

"**Interest Determination Date**" means the second Business Day prior to the commencement of each Accrual Period. For the avoidance of doubt, in respect of the Issue Date, the Calculation Agent will determine the offered rate for six month Euro deposits on the Issue Date but such offered rate shall be calculated as of the second Business Day prior to the Issue Date.

"**Interest Priority of Payments**" means the priorities of payments in respect of Interest Proceeds set out in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**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 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 the Interest Priority of Payments or the Post-Acceleration Priority of Payments.

"**Interest Rate Hedge Agreement**" means each 1992 ISDA Master Agreement (Multicurrency-Cross Border) or 2002 ISDA Master Agreement (or such other ISDA *pro forma* Master Agreement as may be published by ISDA from time to time) and the schedule relating thereto which is entered into between the Issuer and an Interest Rate Hedge Counterparty, including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof and together with each confirmation entered into thereunder from time to time in respect of an Interest Rate Hedge Transaction, as amended or supplemented from time to time and including any Replacement Interest Rate Hedge Agreement entered into in replacement thereof.

"**Interest Rate Hedge Counterparty**" means each financial institution with which the Issuer enters into an Interest Rate Hedge Agreement or any permitted assignee or successor under any Interest Rate Hedge Agreement which, in each case, satisfies the applicable Required Ratings (as defined in the relevant Hedge Agreement) upon the date of entry into such agreement (or in respect of which Rating Agency Confirmation has been obtained on such date) and *provided always that* such financial institution has the regulatory capacity as a matter of Dutch law to enter into derivatives transactions with Dutch residents.

"**Interest Rate Hedge Issuer Termination Payment**" means any amount payable by the Issuer to an Interest Rate Hedge Counterparty upon termination of the applicable Interest Rate Hedge Agreement

(in whole) or Interest Rate Hedge Transaction (in whole or in part) or in connection with a modification of the applicable Interest Rate Hedge Agreement or Interest Rate Hedge Transaction.

"**Interest Rate Hedge Transaction**" means each interest rate protection transaction entered into under an Interest Rate Hedge Agreement which may be an interest rate swap, an interest rate cap or an interest rate floor transaction.

"**Interest Smoothing Account**" means the account described as such in the name of the Issuer with the Account Bank, with its books and records held within the United Kingdom and in any event held and administered outside The Netherlands, to which the Issuer will procure amounts are deposited in accordance with Condition 3(k)(xii) (*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; and

(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; *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,

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 Collateral Principal Amount, 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 sub-participation or other arrangement which has the same commercial effect and in each case, in respect of any obligation of the lender to a "fronting bank" in respect of non-payment by the Obligor, is 100 per cent. collateralised by such lenders.

"**Investment Company Act**" means the United States Investment Company Act of 1940, as amended.

"**Investment Criteria Adjusted Balance**" means with respect to a Collateral Obligation, the Principal Balance of such Collateral Obligation, *provided that* the Investment Criteria Adjusted Balance of:

(a) a Deferring Obligation shall be the lesser of:

(i) its Moody's Collateral Value; and

(ii) its Fitch Collateral Value,

(b) a Discount Obligation shall be the product of such obligation's:

(i) purchase price (expressed as a percentage of par); and

(ii) Principal Balance,

(c) a CCC/Caa Excess Obligation (or portion of its Principal Balance forming part of the CCC/Caa Excess as applicable) shall be its Market Value multiplied by such portion of its Principal Balance forming part of the CCC/Caa Excess,

provided that if a Collateral Obligation satisfies two or more of (a) through (c) above, the Investment Criteria Adjusted Balance of such Collateral Obligation shall be calculated using the category which results in the lowest value.

"**Irish Stock Exchange**" means Irish Stock Exchange p.l.c..

"**IRS**" means the United States Internal Revenue Service or any successor thereto.

"**Issue Date**" means 12 September 2017 (or such other date as may shortly follow such date as may be agreed between the Issuer, the Sole Arranger, the Initial Purchaser and the Collateral Manager and is notified to the Noteholders in accordance with Condition 16 (*Notices*) and the requirements of the Irish Stock Exchange).

"**Issue Date Administrative Expenses**" means amounts due or accrued with respect to action taken on or in connection with the Issue Date with respect to the issue of Notes, the entry into the Transaction Documents and the termination of the Warehouse Arrangements.

"**Issue Date Collateral Obligation**" means an obligation for which the Issuer (or, in respect of acquisitions on the Issue Date, the Collateral Manager, acting on behalf of the Issuer) has entered into a binding commitment to purchase on or prior to the Issue Date, including pursuant to the Warehouse Arrangements.

"**Issuer Dutch Account**" means the account in the name of the Issuer established in The Netherlands for the purposes of, *inter alia*, holding the proceeds of the issued share capital of the Issuer and any Issuer Profit Amount.

"**Issuer Profit Amount**" means the minimum profit to be retained by the Issuer for Dutch tax purposes.

"**Letters of Credit**" means contracts under which a bank, at the request of a buyer on the sale of specific goods, agrees to pay the beneficiary on the sale contract (such party being the seller in connection with the sale of specific goods), a certain amount against the presentation of specified documents relating to those goods.

"**Main Securities Market**" means the regulated market of the Irish Stock Exchange.

"**Maintenance Covenant**" means, in respect of a Collateral Obligation, a covenant by any Obligor pursuant to the applicable Underlying Instrument to comply with one or more financial covenants or undertakings during each reporting period applicable to such Collateral Obligation, whether or not such Obligor has taken any specified action. For the avoidance of doubt, a covenant or undertaking that otherwise satisfies the definition hereof and only applies when amounts are outstanding under the related Collateral Obligation (excluding other loans within the same credit facility (if any)) shall be a Maintenance Covenant.

"**Managing Directors**" means H.P.C. Mourits, J.P. Boonman and P.T.W. Rutovitz 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*).

"**Margin Stock**" means margin stock as defined under Regulation U issued by the Federal Reserve Board, including any debt security which is by its terms convertible into Margin Stock.

"**Market Value**" means, in respect of a Collateral Obligation (expressed as a percentage of the Principal Balance, or relevant portion, in respect thereof) on any date of determination and as provided by the Collateral Manager to the Collateral Administrator:

(a) the bid price of such Collateral Obligation determined by an independent recognised pricing service selected by the Collateral Manager; or

(b) if such independent recognised pricing service is not available, the mean of the bid prices determined by three independent broker-dealers active in the trading of such Collateral Obligation; or

(c) if three such broker-dealer prices are not available, the lower of the bid side prices determined by two such broker-dealers in respect of such Collateral Obligation; or

(d) if two such broker-dealer prices are not available, the bid side price determined by one independent broker-dealer (unless the fair market value thereof determined by the Collateral Manager pursuant to (e)(ii) hereafter would be lower) of such Collateral Obligation; 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 (x) the Moody's Recovery Rate of such Collateral Obligation; (y) the Fitch Recovery Rate of such Collateral Obligation; and (z) 70 per cent. of such Collateral Obligation's Principal Balance; and

(ii) the fair market value thereof determined by the Collateral 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:

(i) for the purposes of this definition, "**independent**" shall mean: (A) that each pricing service and broker-dealer from whom a bid price is sought is independent from each of the other pricing service and broker-dealers from whom a bid price is sought and (B) each pricing or information service and broker dealer is not an Affiliate of the Collateral Manager; and

(ii) if the Collateral Manager is not subject to Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 or the AIFMD (or other comparable regulation), where the Market Value is determined by the Collateral Manager in accordance with paragraph (e)(ii) above, such Market Value shall only be valid for 30 days, after which time if the Market Value cannot be ascertained by a third party the Market Value shall be deemed to be zero.

"**Maturity Amendment**" means, with respect to any Collateral Obligation, any waiver, modification, amendment or variance (other than (i) in connection with an insolvency, bankruptcy, reorganisation, debt restructuring or workout of the Obligor thereof or (ii) a Credit Restructuring Amendment) that would extend the Collateral Obligation Stated Maturity of such Collateral Obligation (whether by way of amendment and restatement of the existing facility or novation or substitution on substantially the same terms save for the maturity amendment). For the avoidance of doubt, a waiver, modification, amendment or variance that would extend the Collateral Obligation Stated Maturity of the credit facility of which a Collateral Obligation is part, but would not extend the Collateral Obligation Stated Maturity of the Collateral Obligation held by the Issuer, does not constitute a Maturity Amendment.

"**Maturity Date**" means 15 October 2031 or, if such day is not a Business Day, then the next succeeding Business Day, unless it would fall in the following month, in which case it shall be the immediately preceding Business Day.

"**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;

(c) the date of acquisition of any additional Collateral Obligation or Substitute Collateral Obligations 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 Loan**" means a mezzanine or lower ranking loan obligation, including any such loan obligation with attached warrants, as determined by the Collateral Manager in its reasonable business judgement, or a Participation therein.

"**Minimum Denomination**" means €250,000.

"**Monthly Report**" means the monthly report defined as such in the Collateral Management and Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Collateral Manager) on behalf of the Issuer on such dates as are set forth in the Collateral Management and Administration Agreement, which shall include information regarding the status of certain Collateral pursuant to the Collateral Management and Administration Agreement and which shall be made available via a secured website currently located at https://gctinvestorreporting.bnymellon.com which shall be accessible to the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager, the Hedge Counterparties and the Rating Agencies and, upon request therefor in accordance with Condition 4(e) (*Information Regarding the Collateral*), to any Noteholder or any person who informs the Collateral Administrator in writing that it is a prospective investor in the Notes by way of a unique password.

"**Moody's**" means Moody's Investors Service Ltd and any successor or successors thereto.

"**Moody's Caa Obligations**" means all Collateral Obligations, excluding Defaulted Obligations, with a Moody's Rating of "Caa1" or lower.

"**Moody's Collateral Value**" means:

(a) for each Defaulted Obligation on or after the earlier to occur of (x) the date which falls 90 days after the Collateral Obligation becomes a Defaulted Obligation and (y) where a Determination Date falls in the 90 day period referred to in (x), the date which falls 30 days after the Collateral Obligation becomes a Defaulted Obligation, the lower of:

  (i) its prevailing Market Value, multiplied by its Principal Balance; and

  (ii) the relevant Moody's Recovery Rate, multiplied by its Principal Balance; or

(b) in the case of any other applicable Collateral Obligation, the relevant Moody's Recovery Rate or, if the Moody's Recovery Rate cannot be determined, its prevailing Market Value, in either case multiplied by its Principal Balance.

"**Moody's Rating**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Moody's Recovery Rate**" means, in respect of each Collateral Obligation, the recovery rate determined in accordance with the Collateral Management and Administration Agreement or as so advised by Moody's.

"**Moody's Test Matrix**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Non-Call Period**" means the period from and including the Issue Date up to, but excluding, 15 October 2019.

"**Non-Eligible Issue Date Collateral Obligation**" means any Issue Date Collateral Obligations which do not comply with the Eligibility Criteria on the Issue Date.

"**Non-Euro Obligation**" means any Collateral Obligation which is denominated in United States dollars, pounds sterling, Swedish kronor, Norwegian kroner, Danish kroner or Swiss francs that, as of its date of purchase, satisfies each of the Eligibility Criteria (save for that relating to its currency of denomination).

"**Note Payment Sequence**" means the application of Interest Proceeds or Principal Proceeds, as applicable, in accordance with the relevant Priorities of Payments in the following order:

(a) *firstly*, to the redemption of the Class A Notes (on a *pro rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class A Notes have been fully redeemed;

(b) *secondly*, to the redemption of the Class B Notes (on a *pro rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class B Notes have been fully redeemed;

(c) *thirdly*, to the redemption of the Class C Notes including any Deferred Interest thereon (on a *pro rata* basis) at the applicable Redemption Price in whole or in part until the Class C Notes have been fully redeemed;

(d) *fourthly*, to the redemption of the Class D Notes including any Deferred Interest thereon (on a *pro rata* basis) at the applicable Redemption Price in whole or in part until the Class D Notes have been fully redeemed;

(e) *fifthly*, to the redemption of the Class E Notes including any Deferred Interest thereon (on a *pro rata basis*) at the applicable Redemption Price in whole or in part until the Class E Notes have been fully redeemed; and

(f) *sixthly*, to the redemption of the Class F Notes including any Deferred Interest thereon (on a *pro rata* 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 amounts are paid in respect of the paragraph above that refers to the Class of Notes to which such Coverage Test relates.

"**Note Tax Event**" means, at any time:

(a) the introduction of a new, or any change in, 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 by or on behalf of the Issuer becoming subject to any withholding tax other than:

  (i) a payment in respect of Deferred Interest becoming subject to any withholding tax;

  (ii) withholding tax in respect of FATCA; and

  (iii) by reason of the failure by the relevant Noteholder or beneficial owner 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, the United States or other applicable taxing authority; or

(b) net income, profits or similar tax is payable by the Issuer (other than Dutch corporate income tax on the Issuer Profit Amount and tax assessed in relation to a particular Collateral Obligation on account of the situs of that obligation or the source of payments thereunder).

"**Noteholder FATCA Information**" means information and documentation requested by or on behalf of the Issuer, an agent or broker through which a holder purchases its Notes, or any nominee or other entity through which a holder holds its Notes (such agent, broker, nominee or other entity, collectively referred to as an "**Intermediary**") to be provided by the holders or beneficial owners of the Notes to the Issuer or an Intermediary that is required to be requested by the Issuer or that is otherwise helpful or necessary (in all cases, in the sole discretion of the Issuer, the Trustee, the Collateral Manager or an Intermediary thereof) to enable the Issuer to achieve FATCA Compliance.

"**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.

"**Obligor**" means, in respect of a Collateral Obligation, the borrower thereunder or issuer thereof or, in either case, the guarantor thereof (as determined by the Collateral Manager on behalf of the Issuer).

"**Offer**" means, with respect to any Collateral 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 (whether by way of amendment and restatement of the existing facility, novation or substitution or other method) (in the case of a security, *provided that*, unless the Permitted Securities Condition is satisfied, such security is received by the Issuer in the ordinary course of the workout, foreclosure or collection of a debt previously contracted in good faith), (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 or (c) any offer or consent request with respect to a Maturity Amendment or Credit Restructuring Amendment.

"**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 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 Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to Similar Law.

"**Outstanding**" means in relation to the Notes of a Class as of any date of determination, all of the Notes of such Class that have been issued and not redeemed or purchased and cancelled by the Issuer, as further defined 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 or the Class F Par Value Test (as applicable).

"**Partial Redemption Date**" means each date specified for a partial redemption of the Rated Notes of one or more Classes pursuant to Condition 7(b)(ii) *(Optional Redemption in Part – Collateral Manager/Subordinated Noteholders)*.

"**Partial Redemption Interest Proceeds**" means as of any Partial Redemption Date, Interest Proceeds in an amount equal to (a) the amount of accrued interest on the Class or Classes of Rated Notes being refinanced plus (b) if the Partial Redemption Date is not otherwise a Payment Date, an amount equal to the amount the Issuer is required to pay in Trustee Fees and Expenses and

Administrative Expenses on such Partial Redemption Date in connection with the Optional Redemption.

"**Partial Redemption Priority of Payments**" means the priority of payments in respect of Refinancing Proceeds and Partial Redemption Interest Proceeds set out in Condition 3(n) *(Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date).*

"**Participation**" means a participation interest in a loan originated by a bank or financial institution that, at the time of acquisition, or the Issuer's commitment to acquire the same, satisfies each of the following criteria:

(a) such participation would constitute a Collateral Obligation were it acquired directly;

(b) the Selling Institution is a lender on the loan;

(c) the aggregate participation in the loan granted by such Selling Institution to any one or more participants does not exceed the principal amount or commitment with respect to which the Selling Institution is a lender under such loan;

(d) such participation does not grant, in the aggregate, to the participant in such participation, a greater interest than the Selling Institution holds in the loan or commitment that is the subject of the participation;

(e) the entire purchase price for such participation is paid in full (without the benefit of financing from the Selling Institution or its Affiliates) at the time of its acquisition (or, in the case of a participation in a Revolving Obligation or Delayed Drawdown Collateral Obligation, at the time of the funding of such loan);

(f) the participation provides the participant all of the economic benefit and risk of the whole or part of the loan or commitment that is the subject of the loan participation; and

(g) such participation is documented under a Loan Syndications and Trading Association, Loan Market Association or similar agreement standard for loan participation transactions among institutional market participants.

"**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, with its books and records held within the United Kingdom and in any event held and administered outside The Netherlands, 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(j) (*Accounts*) and out of which the amounts required to be paid on each Payment Date pursuant to the Priorities of Payments shall be paid.

"**Payment Date**" means:

(a) 15 January, 15 April, 15 July and 15 October at any time prior to the occurrence of a Frequency Switch Event;

(b) 15 January and 15 July (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either January or July) or 15 April and 15 October (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either April or October), following the occurrence of a Frequency Switch Event; and

(c) following the date upon which the Rated Notes have been redeemed in full, any Business Day either agreed between the Issuer and the Collateral Manager or designated by the Issuer and the Collateral Manager as directed by the Subordinated Noteholders acting by Ordinary

Resolution and notified by the Collateral Manager (on behalf of the Issuer) to the Principal Paying Agent, the Collateral Administrator, the Trustee and the Noteholders in accordance with Condition 16 (*Notices*) (each an "**Unscheduled Payment Date**"),

in each case, in each year commencing on 15 April 2018 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 Collateral Management and Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Collateral Manager) on behalf of the Issuer not later than 11.00 a.m. (London time) on the Business Day preceding the related Payment Date and made available via a secured website currently located at https://gctinvestorreporting.bnymellon.com which shall be accessible to the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager, the Hedge Counterparties and the Rating Agencies and, upon request therefor in accordance with Condition 4(e) (*Information Regarding the Collateral*), to any Noteholder or any person who informs the Collateral Administrator in writing that it is a prospective investor in the Notes.

"**Permitted Securities Condition**" means, as of any date of determination, a condition that will be satisfied if:

(a) the Issuer and the Collateral Manager have received an opinion of counsel of national reputation in the United States experienced in such matters and in collateralised loan obligation transactions, which opinion may be based upon, among other things, interpretive letters or other formal guidance issued by any of the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Securities and Exchange Commission and/or the Commodity Futures Trading Commission (together with an Officer's certificate of the Issuer or the Collateral Manager to the Trustee (on which the Trustee may rely absolutely and without further enquiry or liability) that the Issuer will not be considered a "covered fund" (as such term is defined for purposes of the Volcker Rule) in relation to any Section 13 Banking Entity;

(b) any amendments or supplements to the Trust Deed that are necessary for the Issuer to receive the opinion described in clause (a) above shall have become effective in accordance with the terms thereof; and

(c) a supermajority (66⅔ based on the aggregate principal amount of Notes held by the Section 13 Banking Entities) of the Section 13 Banking Entities (voting as a single class) consent in writing to the application of the Permitted Securities Condition.

"**Permitted Use**" has the meaning given to it in Condition 3(k)(vi) (*Supplemental Reserve Account*).

"**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 Obligation**" means any Collateral Obligation which is a loan, the terms of which permit the deferral of the payment of interest thereon, including, without limitation, by way of interest capitalising on such loan as principal thereon, *provided that*, for the avoidance of doubt, Mezzanine Loans shall not constitute PIK Obligations.

"**Plan Asset Regulation**" means 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA, as they may be amended or modified.

"**Portfolio**" means the Collateral 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 Collateral Management and 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 the place in which the account specified by the payee is located.

"**Principal Account**" means the account described as such in the name of the Issuer with the Custodian with its books and records held within the United Kingdom and in any event held and administered outside The Netherlands.

"**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 attributable to the Class C Notes, Class D Notes, Class E Notes and Class F Notes, as applicable, and the applicable quorum at any meeting of the Noteholders pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

"**Principal Balance**" means, with respect to any Collateral Obligation, Eligible Investment, Collateral Enhancement Obligation, Equity Security 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 Loan and a PIK Obligation, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Loan or PIK Obligation), *provided however that*:

(a) the Principal Balance of any Revolving Obligation and Delayed Drawdown Collateral Obligation as of any date of determination shall be the outstanding principal amount of such Revolving Obligation or Delayed Drawdown Collateral Obligation, plus any undrawn commitments that have not been irrevocably cancelled with respect to such Revolving Obligation or Delayed Drawdown Collateral Obligation;

(b) the Principal Balance of each Equity Security, Exchanged Equity Security, Collateral Enhancement Obligation and Restructured Obligation that is convertible into an Equity Security only at the option of the relevant Obligor, shall be deemed to be zero;

(c) the Principal Balance of:

(i) any Non-Euro Obligation subject to a Currency Hedge Transaction shall be an amount equal to the Euro equivalent of the Principal Balance of such reference Non-Euro Obligation, converted into Euro at the Currency Hedge Transaction Exchange Rate; and

(ii) any Non-Euro Obligation which is not subject to a Currency Hedge Transaction shall be an amount equal to the Euro equivalent of the Principal Balance of such reference Non-Euro Obligation, converted into Euro at the Spot Rate; and

(d) for the purposes solely of paragraphs (d)(iii) and (f)(ii) of the Reinvestment Criteria applying during the Reinvestment Period, the Principal Balance of any Defaulted Obligation shall be the lower of its Fitch Collateral Value and its Moody's Collateral Value.

"**Principal Priority of Payments**" means the priority of payments in respect of Principal Proceeds set out in Condition 3(c)(ii) (*Application of Principal Proceeds*).

"**Principal Proceeds**" means all amounts payable out of, paid out of, payable into or paid 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*). For the avoidance of doubt, amounts received as principal proceeds in connection with an Offer for the exchange of a Collateral Obligation for a new or novated obligation or substitute obligation will not constitute Principal Proceeds and will not be deposited into the Principal Account to the extent such principal proceeds are required to be applied as consideration for the new or novated obligation or substitute obligation (subject to the Restructured Obligation Criteria being satisfied).

"**Priorities of Payments**" 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 any optional redemption of the Notes in part but not in whole pursuant to Condition 7(b)(ii) *(Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*), (iii) in connection with a redemption in whole pursuant to Condition 7(g) (*Redemption Following Note Tax Event*) or (iv) following acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*), which, if such acceleration is by way of the giving of an actual or deemed Acceleration Notice which, if applicable, has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Event of Default*), in the case of Interest Proceeds, the Interest Priority of Payments and in the case of Principal Proceeds, the Principal Priority of Payments;

(b) in the event of any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption Following Note Tax Event*) or following acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*), which, if such acceleration is by way of the giving of an actual or deemed Acceleration Notice which, if applicable, has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Event of Default*), the Post-Acceleration Priority of Payments; and

(c) in connection with any optional redemption of the Notes in part but not in whole pursuant to Condition 7(b)(ii) *(Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*) and the Refinancing Proceeds and Partial Redemption Interest Proceeds in relation thereto, the Partial Redemption Priority of Payments.

"**Project Finance Loan**" means a loan obligation under which the obligor is obliged to make payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of payments) on revenues arising from infrastructure assets, including, without limitation:

(a) the sale of products, such as electricity, water, gas or oil, generated by one or more infrastructure assets in the utility industry by a special purpose entity; and

(b) fees charged in respect of one or more highways, bridges, tunnels, pipelines or other infrastructure assets by a special purpose entity, and

in each case, the sole activity of such special purpose entity is the ownership and/or management of such asset or assets 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.

"**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 Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Obligation (excluding any interest capitalised pursuant to the terms of such instrument other than, in respect of a Mezzanine Loan and PIK Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Loan or PIK 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.

"**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 and the rules and regulations thereunder.

"**Qualifying Country**" means any of Australia, Austria, Belgium, Bermuda, Canada, the Cayman Islands, Denmark, Finland, France, Germany, Iceland, Ireland, Israel, Italy, Japan, Luxembourg, The Netherlands, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom (including the Channel Islands and the Isle of Man) or the United States of America; any other country that is a member of or accedes to the European Union; any other country, the foreign currency government bond rating of which is rated, at the time of acquisition of the relevant Collateral Obligation, at least "Baa3" by Moody's and the foreign currency country issuer rating of which is rated, at the time of acquisition of the relevant Collateral Obligation, at least "BBB-" by Fitch; or any other country in respect of which, at the time of acquisition of the relevant Collateral Obligation, Rating Agency Confirmation is 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 Fitch and Moody's, *provided that* if at any time Fitch 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 and satisfactory to the Trustee (a "**Replacement Rating Agency**") and "**Rating Agency**" means any such rating agency. In the event that at any time a Rating Agency is replaced by a Replacement Rating Agency, references to rating categories of the original Rating Agency in these Conditions, the Trust Deed and the Collateral Management and 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, email or other written communication) by each Rating Agency which has, as at the relevant date assigned ratings to any Class of the Rated Notes that are Outstanding (or, if applicable, the Rating Agency specified in respect of any such action or determination, *provided that* such Rating Agency has, as at the relevant date assigned ratings to any Class of the Rated Notes) that such specified action, determination or appointment will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency. Notwithstanding anything to the contrary in any Transaction Document and these Conditions, no Rating Agency

Confirmation shall be required from a Rating Agency in respect of any action, determination or appointment if (i) such Rating Agency has declined a request from the Trustee, the Collateral Manager or the Issuer to review the effect of such action, determination or appointment or (ii) such Rating Agency announces (publicly or otherwise) or confirms to the Trustee, the Collateral Manager or the Issuer that Rating Agency Confirmation from such Rating Agency is not required, or that its practice is to not give such confirmations for such type of action, determination or appointment or (iii) such Rating Agency has ceased to engage in the business of providing ratings or has made a public statement to the effect that it will no longer review events or circumstances of the type requiring a Rating Agency Confirmation under any Transaction Document or these Conditions for purposes of evaluating whether to confirm the then-current ratings (or initial ratings) of obligations rated by such Rating Agency.

"**Rating Confirmation Plan**" means a plan provided by the Collateral Manager (acting on behalf of the Issuer) to the Rating Agencies setting forth the intended timing and manner of acquisition of additional Collateral Obligations or Substitute Collateral Obligations and/or any other intended action which will cause confirmation of the Initial Ratings, as further described and as defined in the Collateral Management and Administration Agreement.

"**Rating Event**" means, at any time, the reduction or withdrawal of any of the ratings then assigned to the Rated Notes by a Rating Agency.

"**Rating Requirement**" means:

(a) in the case of the Account Bank:

(i) a long-term issuer default rating of at least "A" and a short-term issuer default rating of at least "F1" by Fitch; and

(ii) a long-term senior unsecured issuer credit rating of at least "A3" by Moody's;

(b) in the case of the Custodian or any sub-custodian appointed thereby:

(i) a long-term issuer default rating of at least "A" and a short-term issuer default rating of at least "F1" by Fitch; and

(ii) a long-term senior unsecured issuer credit rating of at least "A3" by Moody's;

(c) in the case of the Principal Paying Agent a long-term senior unsecured issuer credit rating of at least "Baa3" by Moody's;

(d) in the case of any Hedge Counterparty, the ratings requirement(s) as set out in the relevant Hedge Agreement; and

(e) in the case of a Selling Institution with regards to a Participation only, a counterparty which satisfies the ratings set out in the Bivariate Risk Table; or

in each case, (x) such other rating or ratings as may be agreed by the relevant Rating Agency as would maintain the then rating of the Rated Notes, and (y) 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.

"**Record Date**" means:

(a) in respect of Notes represented by a Definitive Certificate, the fifteenth day before the relevant due date for payment of principal and interest in respect of such Note; and

(b) in respect of Notes represented by a Global Certificate, 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 Note.

"**Redemption Date**" means a Payment Date specified for a redemption of the Notes of a Class pursuant to Condition 7 (*Redemption and Purchase*) or the date on which the Notes of such Class are accelerated pursuant to Condition 10 (*Events of Default*).

"**Redemption Determination Date**" has the meaning given thereto in Condition 7(b)(vi) (*Redemption Effected through Liquidation Only*).

"**Redemption Notice**" means a redemption notice in the form available from the Transfer Agent 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, 100 per cent. of the Principal Amount Outstanding thereof (if any) or, if greater, such Subordinated Note's *pro rata* share (calculated in accordance with paragraph (EE) of the Interest Priority of Payments and paragraph (W) of the Principal Priority of Payments or paragraph (BB) of the Post-Acceleration Priority 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 Payments; and

(b) any Rated Note, 100 per cent. of the Principal Amount Outstanding thereof (if any), together with any accrued and unpaid interest in respect thereof to the relevant day of redemption and in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, any Deferred Interest.

"**Redemption Threshold Amount**" means the aggregate of all amounts which would be due and payable on redemption of the Rated Notes on the scheduled Redemption Date (to the extent such amounts are ascertainable by the Collateral Administrator or have been provided to the Collateral Administrator by the relevant Secured Party) which rank in priority to payments in respect of the Subordinated Notes in accordance with the Post-Acceleration Priority of Payments.

"**Reference Banks**" has the meaning given thereto in Condition 6(e)(i)(2) (*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 as a direct result of such Refinancing (or proposed Refinancing), as determined by the Collateral 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 and Account Bank 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**" means, during the Reinvestment Period, the criteria set out under "*During the Reinvestment Period*" and, following the expiry of the Reinvestment Period, the criteria set out under "*Following the Expiry of the Reinvestment Period*", each in Schedule 5 of the Collateral Management and Administration Agreement. The Reinvestment Criteria (except satisfaction of the Eligibility Criteria) shall not apply prior to the Effective Date or in the case of a Collateral Obligation which has been restructured where such restructuring has become binding on the holders thereof.

"**Reinvestment Par Value 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 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 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 is at least equal to 104.51 per cent.

"**Reinvestment Period**" means the period from and including the Issue Date up to and including the earlier of: (i) the end of the Due Period preceding the Payment Date falling in October 2021 or, if such day is not a Business Day, the immediately following Business Day; (ii) the date of the acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*) (*provided that* the related Acceleration Notice has not been rescinded or annulled in accordance with Condition 10(c) (*Curing of Event of Default*)); and (iii) the date on which the Collateral Manager reasonably believes and notifies the Issuer, the Rating Agencies and the Trustee that it can no longer reinvest in additional Collateral Obligations or Substitute Collateral Obligations in accordance with the Reinvestment Criteria.

"**Reinvestment Target Par Balance**" means, as of any date of determination, an amount equal to:

(a) the Target Par Amount; *minus*

(b) the amount of any reduction in the Principal Amount Outstanding of the Notes (for the avoidance of doubt excluding any such reduction resulting from the payment of Deferred Interest); *plus*

(c) 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 (after giving effect to such issuance of additional Notes).

"**Replacement Currency Hedge Agreement**" means any Currency Hedge Agreement entered into by the Issuer upon termination of an existing Currency Hedge Agreement on substantially the same terms as such existing Currency Hedge Agreement, that preserves for the Issuer the economic effect of the terminated Currency Hedge Agreement and all Currency Hedge Transactions thereunder, subject to such amendments as may be agreed by the Trustee and in respect of which Rating Agency Confirmation is obtained.

"**Replacement Hedge Agreements**" means each Replacement Currency Hedge Agreement and each Replacement Interest Rate Hedge Agreement and "**Replacement Hedge Agreement**" means any of them.

"**Replacement Hedge Transaction**" means any replacement Interest Rate Hedge Transaction or Currency Hedge Transaction entered into under a Replacement Interest Rate Hedge Agreement or Replacement Currency Hedge Agreement (as applicable) (or under another existing Interest Rate Hedge Agreement or Currency Hedge Agreement with another Hedge Counterparty) in respect of the relevant terminated Interest Rate Hedge Transactions or Currency Hedge Transactions under the relevant terminated Interest Rate Hedge Agreement or Currency Hedge Agreement (as applicable).

"**Replacement Interest Rate Hedge Agreement**" means any Interest Rate Hedge Agreement entered into by the Issuer upon termination of an existing Interest Rate Hedge Agreement in full on substantially the same terms as the original Interest Rate Hedge Agreement that preserves for the Issuer the economic equivalent of the terminated Interest Rate Hedge Transactions outstanding thereunder, subject to such amendments as may be agreed by the Trustee and in respect of which Rating Agency Confirmation is obtained.

"**Report**" means each Monthly Report and Payment Date Report.

"**Reporting Delegate**" means a Hedge Counterparty or third party that undertakes to provide delegated reporting in connection with certain derivative transaction reporting obligations of the Issuer.

"**Reporting Delegation Agreement**" means an agreement for the delegation by the Issuer of certain derivative transaction reporting obligations to one or more Reporting Delegates.

"**Resolution**" means any Ordinary Resolution or Extraordinary Resolution, as the context may require.

"**Restricted Trading Period**" means the period during which one or more of the following has occurred:

(a) the Fitch Rating or the Moody's Rating of the Class A Notes is withdrawn (and not reinstated) or is one or more sub-categories below its rating on the Issue Date, provided the Class A Notes are Outstanding;

(b) the Fitch Rating or the Moody's Rating of the Class B Notes or the Class C Notes is withdrawn (and not reinstated) or is two or more sub-categories below its rating on the Issue Date, provided the Class B Notes or the Class C Notes (as applicable) are Outstanding;

provided that such period will not be a Restricted Trading Period:

(i) if the Controlling Class, acting by Ordinary Resolution, has consented to waive the Restricted Trading Period;

(ii) if the downgrade or withdrawal of such rating is the result of either (A) regulatory change or (B) a change in the relevant Rating Agency's structured finance criteria; or

(iii) if the sum of: (A) the Aggregate Principal Balance of all Collateral Obligations and Eligible Investments representing Principal Proceeds (excluding the Collateral Obligation being sold but including, without duplication, any related reinvestment and the anticipated cash proceeds, if any, of such sale), and (B) amounts standing to the credit of the Principal Account and the Unused Proceeds Account (to the extent such amounts have not and will not be designated as Interest Proceeds to be credited to the Interest Account and including Eligible Investments therein but save for any interest accrued on Eligible Investments), is equal to or greater than the Reinvestment Target Par Balance,

provided further that no Restricted Trading Period shall restrict any purchase or sale of a Collateral Obligation entered into by the Issuer at a time when a Restricted Trading Period is not in effect, regardless of whether such purchase or sale has settled.

"**Restructured Obligation**" means a Collateral Obligation which is subject to a Restructuring.

"**Restructured Obligation Criteria**" means the restructured obligation criteria specified in the Collateral Management and Administration Agreement which are required to be satisfied in respect of each Restructured Obligation at the applicable Restructuring Date.

"**Restructuring**" means, with respect to a Collateral Obligation, that such Collateral Obligation has been restructured (whether effected by way of an amendment to the terms and conditions of such Collateral Obligation or by way of substitution of new obligations and/or change of Obligor and including, *inter alia*, an extension of maturity) (excluding amendments to solely change covenants and undertakings not directly affecting the payment obligations of the relevant Obligor), where such restructuring is in connection with an insolvency, bankruptcy, reorganisation, debt restructuring or workout of the Obligor thereof. For the avoidance of doubt, the acquisition of a Collateral Obligation by the Issuer where the purchase price is paid by way of a cashless rollover arrangement in respect of an existing Collateral Obligation shall be treated as the redemption of the existing Collateral Obligation and acquisition of the new Collateral Obligation.

"**Restructuring Date**" means the date a Restructuring of a Collateral Obligation becomes binding on the holders thereof, *provided that* 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 Holder**" means BNP PARIBAS ASSET MANAGEMENT France SAS and any successor, assign or transferee to the extent permitted under the Retention Undertaking Letter and the Retention Requirements.

"**Retention Notes**" means, for so long as any Class of Notes remains Outstanding, the Notes subscribed for and held on an ongoing basis by the Retention Holder representing not less than 5 per cent. of the Principal Amount Outstanding of each Class of Notes then Outstanding.

"**Retention Requirements**" the EU Retention Requirements and the U.S. Risk Retention Rules.

"**Retention Undertaking Letter**" means the letter from the Retention Holder dated the Issue Date and addressed to the Issuer, the Initial Purchaser, the Trustee and the Collateral Administrator pursuant to which the Retention Holder will make certain undertakings and agreements in respect of the Retention Requirements.

"**Revolving Obligation**" means any Collateral Obligation (other than a Delayed Drawdown Collateral Obligation) that is a loan (including, without limitation, revolving loans, funded and unfunded portions of revolving credit lines, 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 Obligation will be a Revolving Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"**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 of the Exchange Act.

"**S&P**" means Standard & Poor's Credit Market Services Europe Limited and any successor or successors thereto.

"**Sale Proceeds**" means:

(a) all proceeds received upon the sale of any Collateral Obligation or Exchanged Equity Security (other than any Non-Euro Obligation with a related Currency Hedge Transaction) excluding any sale proceeds representing accrued interest designated as Interest Proceeds by the Collateral Manager, *provided that* no such designation may be made in respect of: (i) Purchased Accrued Interest; (ii) proceeds that represent deferred interest accrued in respect of any PIK Obligation; or (iii) proceeds representing accrued interest received in respect of any Defaulted Obligation unless and until such amounts represent Defaulted Obligation Excess Amounts;

(b) in the case of any Non-Euro Obligation with a related Currency Hedge Transaction, all amounts in Euros (or other currencies, if applicable) received by the Issuer from the applicable Currency Hedge Counterparty in exchange for payment by the Issuer of the sale proceeds of any Collateral Obligation as described in paragraph (a) above, under the related Currency Hedge Transaction; and

(c) in the case of any Collateral Enhancement Obligation or Equity Security, all proceeds and any fees received upon the sale of such Collateral Enhancement Obligation or Equity Security (as applicable),

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 Obligation.

"**Scheduled Periodic Currency Hedge Counterparty Payment**" means, with respect to any Currency Hedge Agreement, all amounts scheduled to be paid by the Currency Hedge Counterparty to the Issuer pursuant to the terms of such Currency Hedge Agreement, excluding any Hedge Counterparty Termination Payment.

"**Scheduled Periodic Currency Hedge Issuer Payment**" means, with respect to any Currency Hedge Agreement, all amounts scheduled to be paid by the Issuer to the applicable Currency Hedge Counterparty pursuant to the terms of such Currency Hedge Agreement, excluding any Currency Hedge Issuer Termination Payment.

"**Scheduled Periodic Hedge Counterparty Payment**" means a Scheduled Periodic Currency Hedge Counterparty Payment or a Scheduled Periodic Interest Rate Hedge Counterparty Payment.

"**Scheduled Periodic Hedge Issuer Payment**" means a Scheduled Periodic Currency Hedge Issuer Payment or a Scheduled Periodic Interest Rate Hedge Issuer Payment.

"**Scheduled Periodic Interest Rate Hedge Counterparty Payment**" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Hedge Counterparty to the Issuer pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Hedge Counterparty Termination Payment.

"**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 Hedge Agreement, excluding any Interest Rate Hedge Issuer Termination Payment.

"**Scheduled Principal Proceeds**" means:

(a) in the case of any Collateral Obligation (other than Non-Euro Obligations with a related Currency Hedge Transaction), scheduled principal repayments received by the Issuer (including scheduled amortisation, instalment or sinking fund payments);

(b) in the case of any Non-Euro Obligation with a related Currency Hedge Transaction, scheduled final and interim payments in the nature of principal payable to the Issuer by the applicable Currency Hedge Counterparty under the related Currency Hedge Transaction; and

(c) in the case of any Hedge Agreements, any Hedge Replacement Receipts and Hedge Counterparty Termination Payments transferred from the Hedge Termination Account into the Principal Account and any amounts transferred from a Counterparty Downgrade Collateral Account to the Principal Account in accordance with Condition 3(k)(v) (*Counterparty Downgrade Collateral Accounts*).

"**Second Lien Loan**" means a Collateral Obligation that is a debt 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, as determined by the Collateral Manager in its reasonable commercial judgement, or a Participation therein.

"**Section 13 Banking Entity**" means an entity that (i) is defined as a "banking entity" under Section 13 of the Bank Holding Company Act of 1956, as amended, 12 USC § 1851(h)(1), (ii) provides written certification to the Issuer and the Trustee in the form set forth in the Trust Deed that it meets the definition under the foregoing clause (i), and (iii) identifies the Class or Classes of Notes held by such entity and the outstanding principal amount thereof. If no entity provides a certification described in the foregoing clause (ii), then no Section 13 Banking Entities will be deemed to exist for purposes of any required consent or action under the Trust Deed, the Collateral Management

Agreement or any related Transaction Document. Further, in connection with each consent or action under the Trust Deed, the Collateral Management Agreement or any related Transaction Document that requires the consent or action by the Section 13 Banking Entities, the party seeking such consent or taking such action will direct the Trustee (if the Trustee is not the party seeking such consent or taking such action), to request that each Section 13 Banking Entity reconfirm its status as a Section 13 Banking Entity and the outstanding principal amount of Notes held by such entity; *provided that* no entity shall lose its status as a Section 13 Banking Entity unless the Trustee receives a response to such request indicating, or is otherwise notified by such entity, that it is either no longer a Section 13 Banking Entity or no longer holds any Notes.

"**Secured Obligations**" means all present and future obligations and liabilities (whether actual or contingent) of the Issuer to each Secured Party, as further described in the Trust Deed.

"**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 Collateral Manager, the Trustee, any Receiver or Appointee of the Trustee under the Trust Deed, 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 Loan**" means a Collateral Obligation (which may be a Revolving Obligation or a Delayed Drawdown Collateral Obligation) that is a senior secured loan obligation as determined by the Collateral Manager in its reasonable business judgement or a Participation therein, *provided that*:

(a) it is secured (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 the controlling 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 (a) above (which assets or shares are subject to a prior lien (other than customary permitted liens, such as, but not limited to, any tax liens)) *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 in the event of an enforcement in respect of such loan representing up to the Secured Senior RCF Percentage of the Obligor's senior debt.

"**Secured Senior RCF Percentage**" means, in relation to a Secured Senior Loan, 15 per cent.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Securitisation Regulation**" means any regulation of the European Union related to simple, transparent and standardised securitisation including any implementing regulations, technical standards and official guidance related thereto.

"**Selling Institution**" means an institution from whom (i) a Participation is taken and that satisfies the applicable Rating Requirement or (ii) an Assignment is acquired.

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

"**Senior Expenses Cap**" means, in respect of each Payment Date, the sum of:

(a) €250,000 per annum (*pro rated* for the Due Period for the related Payment Date on the basis of a 360 day year comprised of twelve 30-day months); and

(b) 0.0225 per cent. per annum (*pro rated* for the Due Period for the related Payment Date on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the

Adjusted Collateral Principal Amount as at the Determination Date immediately preceding the Payment Date in respect of such Due Period,

provided however that, for the avoidance of doubt, any applicable value added tax on any expense expressed to be subject to the Senior Expenses Cap shall be taken into account for the purpose of the Senior Expenses Cap and *provided further that* if the aggregate 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(s) (including the Due Period relating to the current Payment Date) is less than the applicable Senior Expenses Cap, the difference between the applicable Senior Expenses Cap and such aggregate amount (less any amount transferred to the Expense Reserve Account on such Payment Date pursuant to paragraph (D) of the Interest Priority of Payments) shall be added to the Senior Expenses Cap with respect to the then current Payment Date. For the avoidance of doubt, any such excess may not at any time result in an increase of the Senior Expenses Cap on a per annum basis.

"**Senior Loan Obligation**" means a Secured Senior Loan or an Unsecured Senior Loan.

"**Senior Management Fee**" means the fee payable to the Collateral Manager (exclusive of any value added tax thereon) in arrear on each Payment Date in respect of each Due Period pursuant to the Collateral Management and Administration Agreement in an amount, 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 Collateral Principal Amount as at the first day of the Due Period (or, if such day is not a Business Day, the next day which is a Business Day) immediately preceding such Payment Date as determined by the Collateral Administrator. Upon the appointment of a successor Collateral Manager pursuant to the terms of the Collateral Management and Administration Agreement, the Issuer and such successor Collateral Manager may agree (subject to the approval of the Controlling Class acting by Ordinary Resolution) to amend the Senior Management Fees, *provided that* such Senior Management Fees are no greater than what would otherwise have been paid to the original Collateral Manager.

"**Senior Loan**" means a Collateral Obligation that is a Secured Senior Loan, an Unsecured Senior Loan or a Second Lien Loan, as determined by the Collateral Manager in its reasonable commercial judgement.

"**Similar Law**" means any federal, state, local or non-U.S. law that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

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

"**Solvency II Retention Requirements**" means Articles 254 and 256 of the Commission 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 EU directive or regulation subsequent to Solvency II or the Commission Delegated Regulation (EU) 2015/35.

"**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 or the Collateral Manager in consultation with the Collateral Administrator on the date of calculation.

"**Standard of Care**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Step-Down Coupon Obligation**" means a loan obligation: (i) 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 (ii) 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 Obligation**" means a loan obligation: (i) 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 (ii) 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.

"**Structured Finance Security**" means any debt security:

(a) 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;

(b) which is issued by a specially created investment vehicle established for the purposes of issuing such debt security and acquiring such assets; and

(c) payments under which depend primarily on the cash flows generated by such assets and other rights designed to assure timely payment, such as a liquidity facility or other credit enhancement,

including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar security.

"**Subordinated Management Fee**" means the fee payable to the Collateral Manager (exclusive of any value added tax thereon) in arrear on each Payment Date in respect of the immediately preceding Due Period pursuant to the Collateral Management and Administration Agreement 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 Collateral Principal Amount as at the first day of the Due Period (or if such day is not a Business Day, the next day which is a Business Day) immediately preceding such Payment Date, as determined by the Collateral Administrator. Upon the appointment of a successor Collateral Manager pursuant to the terms of the Collateral Management and Administration Agreement, the Issuer and such successor Collateral Manager may agree (subject to the approval of the Controlling Class acting by Ordinary Resolution) to amend the Subordinated Management Fees, *provided that* such Subordinated Management Fees are no greater than what would otherwise have been paid to the original Collateral Manager.

"**Subordinated Noteholders**" means the holders of any Subordinated Notes from time to time.

"**Subordinated Notes**" has the meaning ascribed to it in the first paragraph of these Conditions.

"**Subordinated Notes Reference Price**" means 100.00 per cent..

"**Subscription Agreement**" means the subscription agreement between the Issuer and the Initial Purchaser dated as of the Issue Date.

"**Substitute Collateral Obligation**" means a Collateral Obligation purchased in substitution for a previously held Collateral Obligation (whether purchased with Sale Proceeds or other Principal Proceeds in respect of such previously held Collateral Obligation) pursuant to the terms of the Collateral Management and Administration Agreement and which satisfies both the Eligibility Criteria and the Reinvestment Criteria.

"**Supplemental Reserve Account**" means an account in the name of the Issuer with the Account Bank and with its books and records held within the United Kingdom and in any event held and administered outside The Netherlands.

"**Supplemental Reserve Amount**" means, with respect to any Payment Date during the Reinvestment Period, the amount of Interest Proceeds deposited to the Supplemental Reserve Account on such Payment Date in accordance with paragraph (BB) of the Interest Priority of Payments, at the sole discretion of the Collateral Manager, which amounts shall not exceed (i) the lower of (a) €1,500,000 and (b) 50 per cent. of remaining Interest Proceeds, in the aggregate for any Payment Date or (ii) an aggregate amount for all applicable Payment Dates of €9,000,000.

"**Swapped Non-Discount Obligation**" means any Collateral Obligation that would otherwise be considered a Discount Obligation, but that is purchased with the Sale Proceeds of a Collateral Obligation (the "**Original Obligation**") that was not a Discount Obligation at the time of its purchase and which will not be considered a Discount Obligation so long as such purchased Collateral Obligation:

(a) is purchased or committed to be purchased within 20 Business Days of such sale of the Original Obligation;

(b) is purchased at a price (as a percentage of par) equal to or greater than the sale price of the Original Obligation; and

(c) is purchased at a price not less than 50 per cent. of the Principal Balance thereof,

provided however that:

(i) to the extent the Aggregate Principal Balance of all Swapped Non-Discount Obligations held by the Issuer as of the relevant date of determination exceeds 5.0 per cent. of the Collateral Principal Amount, such excess will constitute Discount Obligations;

(ii) to the extent the cumulative Aggregate Principal Balance of all Swapped Non-Discount Obligations acquired by the Issuer on or after the Issue Date (for the avoidance of doubt, whether or not each such Swapped Non-Discount Obligation is currently held by the Issuer) exceeds 10.0 per cent. of the Target Par Amount, such excess will constitute Discount Obligations;

(iii) a Collateral Obligation will cease to be a Swapped Non-Discount Obligation at such time as the Market Value (expressed as a percentage of its Principal Balance) for such Collateral Obligation on each day during any period of 20 consecutive Business Days since the acquisition of such Collateral Obligation equals or exceeds 90 per cent.; and

(iv) in determining which of the Swapped Non-Discount Obligations shall be included in the excess pursuant to sub-paragraphs (i) or (ii) above, Swapped Non-Discount Obligations in respect of which the Issuer entered into a binding commitment to purchase earlier in time shall be deemed to constitute the excess.

"**Synthetic Security**" means a security or swap transaction (other than a Letter of Credit or a Participation) that has payments of interest or principal on a reference obligation or the credit performance of a reference obligation.

"**Target Par Amount**" means €350,000,000.

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer system (or, if such system ceases to be operative, such other system (if any) determined by the Trustee to be a suitable replacement).

"**Tax Credits**" means any amounts payable by the Issuer to an Obligor under a Collateral Obligation pursuant to the terms of the Underlying Instruments relating to such Collateral Obligation in connection with any credit against relief or remission for, or repayment of, any tax that has been obtained or utilised by the Issuer and which is attributable to a grossed up payment made by that Obligor as a result of or in connection with any required withholding or deduction for or on account of any tax (or to such withholding or deduction itself).

"**Transaction Documents**" means the Trust Deed (including the Notes and these Conditions), the Agency and Account Bank Agreement, the Subscription Agreement, the Collateral Management and Administration Agreement, the Retention Undertaking Letter, each Hedge Agreement, each Collateral Acquisition Agreement, the Participation Agreements, the Issuer Management Agreement, the Warehouse Deed of Release, each Reporting Delegation Agreement and any document supplemental thereto or issued in connection therewith.

"**Trustee Fees and Expenses**" means the fees and expenses (including, without limitation, legal fees) and all other amounts payable to the Trustee or to any Receiver or other Appointee of the Trustee pursuant to the Trust Deed or any other Transaction Document from time to time plus any applicable value added tax in respect thereof (whether payable to the Trustee under the Trust Deed or any other Transaction Document or directly to the relevant taxing authority), including indemnity payments and, in respect of any Refinancing, any fees, costs, charges and expenses (including, without limitation, legal fees) properly incurred by the Trustee.

"**UCITS Directive**" means Directive 2009/65/EC on Undertakings for Collective Investment in Transferable Securities (as amended from time to time) including any implementing and/or delegated regulations, technical standards and guidance related thereto.

"**Underlying Instrument**" means the agreements or instruments pursuant to which a Collateral Obligation has been issued or created and each other agreement that governs the terms of, or secures the obligations represented by, such Collateral Obligation or under which the holders or creditors under such Collateral Obligation are the beneficiaries.

"**Unfunded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Obligation, the excess, if any, of (i) the Commitment Amount under such Revolving Obligation or Delayed Drawdown Collateral Obligation, as the case may be, at such time over (ii) 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 and Account Bank 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 Obligations and Revolving Obligations.

"**United States Person**" has the meaning given to it in Section 7701(a)(30) of the Code.

"**Unscheduled Principal Proceeds**" means (i) with respect to any Collateral Obligation (other than a Non-Euro Obligation with a related Currency Hedge Transaction), principal proceeds received by the Issuer prior to the Collateral Obligation Stated Maturity thereof as a result of optional redemptions, prepayments (including any acceleration) or Offers (excluding any premiums or make whole amounts in excess of the principal amount of such Collateral Obligation) and (ii) with respect to any Non-Euro Obligation with a related Currency Hedge Transaction, any amounts in Euro payable to the Issuer by the applicable Currency Hedge Counterparty in exchange for payment by the Issuer of any unscheduled principal proceeds specified in (i) above received in respect of any Collateral Obligation under the related Currency Hedge Transaction.

"**Unsecured Senior Loan**" means a Collateral Obligation that:

(a) is a loan obligation senior to any unsecured subordinated obligation of the Obligor as determined by the Collateral Manager in its reasonable business judgement; and

(b) is not secured (i) by assets of the Obligor thereof or (ii) by the controlling equity interests in the stock of an entity owning such assets.

"**Unused Proceeds Account**" means an account in the name of the Issuer with the Account Bank with its books and records held within the United Kingdom and in any event held and administered outside The Netherlands, into which the Issuer will procure amounts are deposited in accordance with Condition 3(k)(iii) (*Unused Proceeds Account*).

"**U.S. Person**" means a U.S. person as such term is defined under Regulation S.

"**U.S. Risk Retention Rules**" means the final rules implementing the credit and risk retention requirements of Section 941 of the Dodd-Frank Act.

"**Volcker Rule**" means Section 619 of the Dodd-Frank Act and the corresponding implementing rules thereunder.

"**Warehouse Arrangements**" means the warehouse financings and related arrangements entered into by the Issuer prior to the Issue Date to finance the acquisition of Collateral Obligations prior to the Issue Date.

"**Warehouse Deed of Release**" means the deed of release dated on or about the Issue Date relating to the Warehouse Arrangements.

"**Weighted Average Floating Spread**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Written Resolution**" means any Resolution of the Noteholders of the relevant Class in writing, as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**Zero Coupon Obligation**" means a loan obligation (other than a Step-Up Coupon Obligation or a PIK Obligation) that, at the time of determination, does not provide for periodic payments of interest.

2. Form and Denomination, Title, Transfer and Exchange

(a) *Form and Denomination*

The Notes of each Class may be issued in (i) global, certificated, fully registered form, without interest coupons, talons and principal receipts attached or (ii) definitive, certificated, fully registered form, without interest coupons, talons and principal receipts attached, in each case in the applicable Minimum Denomination and integral multiples of any Authorised Integral Amount in excess thereof. A Global Certificate or Definitive Certificate (as applicable) 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 and Account Bank 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*

In respect of Notes represented by a Definitive Certificate, one or more such 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 the 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.

Interests in a Global Certificate will be transferable in accordance with the rules and procedures for the time being of the relevant Clearing System.

(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 courier, 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 Global Certificates or Definitive Certificates (as applicable) representing such Notes in accordance with these Conditions on registration or transfer will be effected without charge to the Noteholders 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 Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(f) *Closed Periods*

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 calendar days ending on the due date for redemption (in full) of that Note or (ii) during the period of seven calendar days ending on (and including) any Record Date.

(g) *Regulations Concerning Transfer and Registration*

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes scheduled to the Trust Deed, including, without limitation, that a transfer of Notes in breach of certain of such regulations will result in such transfer being void *ab initio*. The regulations may be changed by the Issuer in any manner which is reasonably required by the Issuer (after consultation with the Trustee) to reflect changes in legal or regulatory requirements or in any other manner which, in the opinion of the Issuer (after consultation with the Trustee and subject to not less than 60 days' notice of any such change having been given to the Noteholders in accordance with Condition 16 (*Notices*)), is not prejudicial to the interests of the holders of the relevant Class of Notes. A copy of the current regulations may be inspected at the offices of the Transfer Agent during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes and will be sent by the Registrar to any Noteholder who so requests.

(h) *Forced Transfer of Rule 144A Notes*

If the Issuer determines at any time that a U.S. holder of Rule 144A Notes is not a QIB/QP (any such person, a "**Non-Permitted Noteholder**"), the Issuer may direct such holder to sell or 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 and meets the other requirements set forth in the Trust Deed within 30 days following

receipt of such notice. If such holder fails to sell or transfer its Rule 144A Notes within such period, such holder may be required by the Issuer to sell such Rule 144A 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 similar to the Rule 144A Notes and selling such Rule 144A Notes to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion. Each Noteholder and each other person in the chain of title from the permitted Noteholder to the Non-Permitted Noteholder by its acceptance of an interest in the Rule 144A Notes agrees to co-operate 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 and 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 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 reserves 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 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, Controlling Person, Similar Law, Other Plan Law or other ERISA 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 the Plan Asset Regulation (any such Noteholder a "**Non-Permitted ERISA Noteholder**"), the Issuer may direct such Non-Permitted ERISA Noteholder to sell or otherwise transfer its Notes to a person who is not a Non-Permitted ERISA Noteholder and who meets the other requirements set forth in the Trust Deed within 10 days following receipt of such notice. If such Non-Permitted ERISA Noteholder fails to sell or transfer its Notes within such period, the Issuer may cause such Notes to be transferred in a commercially reasonable sale (conducted by the Issuer in accordance with Section 9-610 of the Uniform Commercial Code as in effect in the State of New York as applied to securities that are sold on a recognised market or that may decline speedily in value), 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 Noteholder will receive the balance, if any.

(j) *Forced Transfer pursuant to FATCA*

Each Noteholder (which, for the purposes of this Condition 2(j) (*Forced Transfer pursuant to FATCA*) includes a nominee or beneficial owner of a Note) will agree to provide the Issuer and its agents with the Noteholder FATCA Information. If the Noteholder fails to provide the Noteholder FATCA Information or to the extent that its ownership of the Notes would otherwise cause the Issuer to be subject to tax under FATCA, (A) the Issuer and its agents are authorised to withhold amounts otherwise distributable to the Noteholder as compensation for any taxes to which the Issuer is subject under FATCA as a result of such failure or the Noteholder's ownership of Notes, and (B) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or the Noteholder's ownership of Notes, the Issuer will have the right to compel the Noteholder (except the Retention Holder) to sell its Notes, and, if the Noteholder does not sell its Notes within 10 Business Days after notice from the Issuer or any agent of the Issuer, the Issuer will have the right to sell such Notes at a

public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any costs, charges, and any taxes incurred by the Issuer in connection with such sale) to the Noteholder as payment in full for such Notes. The Issuer may also assign each such Note a separate CUSIP, ISIN, and/or similar identifier in the Issuer's sole discretion. For the avoidance of doubt, the Issuer shall have the right to sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA.

(k) *Forced Transfer mechanics*

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 ERISA*) and 2(j) (*Forced Transfer pursuant to FATCA*), the Issuer may repay any affected Notes at par value and issue replacement Notes and the Issuer, the Trustee, the Agents and the Registrar shall work with the Clearing Systems to take such action as may be necessary to effect such repayment and issue of replacement Notes.

(l) *Registrar authorisation*

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 ERISA*) and 2(j) (*Forced Transfer pursuant to FATCA*) 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.

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 in right of payment to payments of interest in respect 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; 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 and 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.

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 Priority of Payments on a *pari passu* basis. Payments on the Subordinated Notes are subordinated to payments on the Rated Notes and other amounts described in the Priorities of Payments 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 Payments are paid in full.

Notwithstanding the above, at the discretion of the Issuer (or the Collateral Manager acting on its behalf), payments may be made at the Collateral Manager's discretion on the Subordinated Notes out of amounts credited to the Supplemental Reserve Account, notwithstanding that the Rated Notes may still be Outstanding or that payments remain due but unpaid on such Rated Notes, pursuant to Condition 3(k)(vi) (*Supplemental Reserve Account*).

(c) *Priorities of Payments*

The Collateral Administrator shall (on the basis of the Payment Date Report prepared by the Collateral Administrator in consultation with the Collateral Manager pursuant to the terms of the Collateral Management and Administration Agreement not later than 11.00 a.m. (London time) on the Business Day preceding the related Payment Date), on behalf of the Issuer on each Payment Date (i) prior to the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) (where the Post-Acceleration Priority of Payments shall apply subsequent to such acceleration); (ii) following delivery of an Acceleration Notice (deemed or otherwise) which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Event 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), instruct the Account Bank to disburse Interest Proceeds and Principal Proceeds transferred to the Payment Account, in each case, in accordance with the following Priorities of Payments:

(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 (and in the case of any Payment Date that is a Partial Redemption Date, only after the application of Refinancing Proceeds and Partial Redemption Interest Proceeds in accordance with Condition 3(n) (*Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date*)):

(A) to the payment of (i) firstly taxes owing by the Issuer accrued in respect of the related or any earlier Due Period (other than Dutch corporate income tax in relation to the amounts equal to the Issuer Profit Amount referred to in (ii) below), as certified by an Authorised Officer of the Issuer to the Collateral Administrator, if any, (save for any value added tax, deduction or withholding for or on account of any tax or any other tax payable in respect of any Collateral Management Fee or any amount payable to the Secured Parties); and (ii) secondly the Issuer Profit Amount, 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 following the occurrence of an Event of Default the Senior Expenses Cap shall not apply;

(C) to the payment of Administrative Expenses in the priority stated in the definition thereof, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to paragraph (B) above

(D) to the Expense Reserve Account, at the Collateral Manager's discretion, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less (i) any amounts paid pursuant to paragraphs (B) and (C) above and (ii) any amounts paid out of the Expense Reserve Account in respect of the related Due Period;

(E) to the payment:

(1) *firstly*, to the Collateral Manager of the Senior Management Fee due and payable on such Payment Date (save for any Deferred Senior Collateral Management Amounts), *provided however that* the Collateral Manager may, in its sole discretion, elect to (x) irrevocably waive, (y) designate for reinvestment in Collateral Obligations in accordance with the Collateral Management and Administration Agreement or the purchase of Rated Notes pursuant to Condition 7(k) (*Purchase*) or (z) defer payment of some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (E) (any such amounts pursuant to (y) or (z) being "**Deferred Senior Collateral Management Amounts**") on any Payment Date, provided that any such amount, in the case of (y), shall (i) be used to purchase additional Collateral Obligations or (ii) be deposited in the Principal Account pending reinvestment in additional Collateral Obligations or Rated Notes pursuant to Condition 7(k) (*Purchase*) or, in the case of (x) or (z), shall be applied to the payment of amounts in accordance with paragraphs (F) through (X) and (Z) through (DD) below, subject in each case to the Collateral Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied; and

(2) *secondly*, to the Collateral Manager, any previously due and unpaid Senior Management Fees including any interest accrued thereon (other than Deferred Senior Collateral Management Amounts);

(F) to the payment, on a *pro rata* basis, of (i) any Scheduled Periodic Hedge Issuer Payments (to the extent not paid out of the Currency Account or the Interest Account), (ii) any Currency Hedge Issuer Termination Payments (to the extent not paid out of the Hedge Termination Account and other than Defaulted Currency Hedge Termination Payments), and (iii) any Interest Rate Hedge Issuer Termination Payments (to the extent not paid out of the Hedge Termination Account and other than Defaulted Interest Rate Hedge Termination Payments);

(G) to the payment on a *pro rata* and *pari passu* 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 such Class A Notes;

(H) to the payment on a *pro rata* and *pari passu* basis of all Interest Amounts due and payable on the Class B Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on such Class B Notes;

(I) if either of the Class A/B Coverage Tests are not satisfied on any Determination Date on and after the Effective Date or, in the case of the Class A/B Interest Coverage

Test, on the Determination Date preceding the second Payment Date or any Determination Date thereafter, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class A/B Coverage Test to be satisfied if recalculated immediately 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* 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 either of the Class C Coverage Tests are not satisfied on any Determination Date on and after the Effective Date or, in the case of the Class C Interest Coverage Test, on the Determination Date preceding the second Payment Date or any 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 immediately following such redemption;

(M) to the payment on a *pro rata* 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 either of the Class D Coverage Tests are not satisfied on any Determination Date on and after the Effective Date or, in the case of the Class D Interest Coverage Test, on the Determination Date preceding the second Payment Date or any Determination Date thereafter, 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 immediately following such redemption;

(P) to the payment on a *pro rata* 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 either of the Class E Coverage Tests are not satisfied on any Determination Date on and after the Effective Date or, in the case of the Class E Interest Coverage Test, on the Determination Date preceding the second Payment Date or any Determination Date thereafter, 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 immediately following such redemption;

(S) to the payment on a *pro rata* 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 on and after the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause the Class F Par Value Test to be satisfied if recalculated immediately following such redemption;

(V) on the Payment Date following the Effective Date and each Payment Date thereafter to the extent required, in the event of the occurrence of an Effective Date Rating Event which is continuing on the sixth Business Day prior to such Payment Date, to redeem the Rated 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 Measurement 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) through (V) (inclusive) above, the Reinvestment Par Value Test has not been satisfied, to the payment to the Principal Account as Principal Proceeds, to be applied for the purpose of the acquisition of additional Collateral Obligations in an amount equal to the lesser of (1) 50.0 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) through (V) (inclusive) above, would be sufficient to cause the Reinvestment Par Value Test to be satisfied;

(X) to the payment of Trustee Fees and Expenses (if any) not paid by reason of the Senior Expenses Cap;

(Y) to the payment of Administrative Expenses (if any) not paid by reason of the Senior Expenses Cap, in relation to each item thereof in the order of priority stated in the definition thereof;

(Z) to the payment:

(1) *firstly*, to the Collateral Manager of the Subordinated Management Fee due and payable on such Payment Date (save for any Deferred Subordinated Collateral Management Amounts) until such amount has been paid in full, provided however that the Collateral Manager may, in its sole discretion, elect to (x) irrevocably waive, (y) designate for reinvestment in Collateral Obligations in accordance with the Collateral Management and Administration Agreement or the purchase of Rated Notes pursuant to Condition 7(k) (*Purchase*) or (z) defer payment of some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (Y) (any such amounts pursuant to (y) or (z) being "**Deferred Subordinated Collateral Management Amounts**") on any Payment Date, provided that any such amount, in the case of (y), shall (i) be used to purchase additional Collateral Obligations or the purchase of Rated Notes pursuant to Condition 7(k) (*Purchase*) or (ii) be deposited in the Principal Account pending reinvestment in additional Collateral Obligations or, in the case of (x) or (z), shall be applied to the payment of amounts in accordance with paragraphs (AA) through (EE) below, subject to the Collateral Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied;

(2) *secondly*, to the Collateral Manager of any previously due and unpaid Subordinated Management Fee including any interest accrued thereon (other than Deferred Subordinated Collateral Management Amounts);

(3) *thirdly*, at the election of the Collateral Manager (in its sole discretion) to the Collateral Manager in payment of any Deferred Senior Collateral

Management Amounts and Deferred Subordinated Collateral Management Amounts, in each case, including any interest accrued thereon; and

(4) *fourthly*, to the repayment of any Collateral Manager Advances and any interest thereon;

(AA) to the payment on a *pari passu* and *pro rata* basis of any Defaulted Currency Hedge Termination Payments due to a Currency Hedge Counterparty or Defaulted Interest Rate Hedge Termination Payment due to an Interest Rate Hedge Counterparty (in each case to the extent not paid out of the Hedge Termination Account);

(BB) during the Reinvestment Period at the direction and in the discretion of the Collateral Manager, to transfer to the Supplemental Reserve Account any Supplemental Reserve Amount;

(CC) subject to the Incentive Collateral Management Fee IRR Threshold having been reached (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 (EE) below and paragraph (W) of the Principal Priority of Payments), to the payment to the Collateral Manager of 20.0 per cent. of any remaining Interest Proceeds (after any payment required to satisfy the Incentive Collateral Management Fee IRR Threshold) as an Incentive Collateral Management Fee, *provided however that* the Collateral Manager may, in its sole discretion, elect to irrevocably waive some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (CC) on any Payment Date and apply such amount to the payment of amounts in accordance with paragraph (EE) below, subject to the Collateral Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied;

(DD) to the payment of any value added taxes in respect of the Incentive Collateral Management Fee under paragraph (CC) above (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(EE) 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).

For the avoidance of doubt, any Collateral Management Fees which are deferred, waived or designated for reinvestment pursuant to paragraphs (E)(1), (Z)(1) or (CC) above shall not be treated as due and payable pursuant to paragraphs (E)(1), (E)(2), (Z)(1), (Z)(2) or (CC) above.

(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 (and in the case of any Payment Date that is a Partial Redemption Date, only after the application of Refinancing Proceeds and Partial Redemption Interest Proceeds in accordance with Condition 3(n) (*Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date*)):

(A) to the payment on a sequential basis of the amounts referred to in paragraphs (A) through (H) (inclusive) of the Interest 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 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 immediately following such redemption;

(C) to the payment of the amounts referred to in paragraph (J) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that such payment would not cause a breach of the Class A/B Par Value Test;

(D) to the payment of the amounts referred to in paragraph (K) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class C Notes are the Controlling Class;

(E) to the payment of the amounts referred to in paragraph (L) of the Interest 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 if recalculated immediately following such redemption;

(F) to the payment of the amounts referred to in paragraph (M) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that such payment would not cause a breach of the Class C Par Value Test;

(G) to the payment of the amounts referred to in paragraph (N) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class D Notes are the Controlling Class;

(H) to the payment of the amounts referred to in paragraph (O) of the Interest 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 if recalculated immediately following such redemption;

(I) to the payment of the amounts referred to in paragraph (P) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that such payment would not cause a breach of the Class D Par Value Test;

(J) to the payment of the amounts referred to in paragraph (Q) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class E Notes are the Controlling Class;

(K) to the payment of the amounts referred to in paragraph (R) of the Interest 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 if recalculated immediately following such redemption;

(L) to the payment of the amounts referred to in paragraph (S) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that such payment would not cause a breach of the Class E Par Value Test;

(M) to the payment of the amounts referred to in paragraph (T) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class F Notes are the Controlling Class;

(N) to the payment of the amounts referred to in paragraph (U) of the Interest 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 are applicable on such Payment

Date with respect to the Class F Notes to be satisfied if recalculated immediately following such redemption;

(O) to the payment of the amounts referred to in paragraph (V) of the Interest Priority of Payments, but only to the extent not paid in full thereunder;

(P) if such Payment Date is a Redemption Date in respect of which the Notes are being redeemed in full (other than a Special Redemption Date or after the Reinvestment Period has ended), to redeem the Notes in accordance with the Note Payment Sequence and, if applicable, in payment of any Refinancing Costs;

(Q) if such Payment Date is a Special Redemption Date, at the election of the Collateral Manager, to make payments in an amount equal to the Special Redemption Amount (if any) applicable to such Payment Date in accordance with the Note Payment Sequence;

(R) (1) during the Reinvestment Period, at the discretion of the Collateral Manager, either to the purchase of additional Collateral Obligations or Substitute Collateral Obligations or to the Principal Account pending reinvestment in additional Collateral Obligations or Substitute Collateral Obligations at a later date in each case in accordance with the Collateral Management and Administration Agreement;

(2) after the Reinvestment Period in the case of Principal Proceeds representing Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Risk Obligations and Credit Improved Obligations at the discretion of the Collateral Manager, either to the purchase of additional Collateral Obligations or Substitute Collateral Obligations or to the Principal Account pending reinvestment in additional Collateral Obligations or Substitute Collateral Obligations at a later date in each case in accordance with the Collateral Management and Administration Agreement;

(S) after the Reinvestment Period, to redeem the Notes in accordance with the Note Payment Sequence;

(T) after the Reinvestment Period, to the payment on a sequential basis of the amounts referred to in paragraphs (X) through (AA) (inclusive) of the Interest Priority of Payments, but only to the extent not paid in full thereunder;

(U) subject to the Incentive Collateral Management Fee IRR Threshold having been reached (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 (W) below and paragraph (DD) of the Interest Priority of Payments) to the payment to the Collateral Manager of 20.0 per cent. of any remaining Principal Proceeds (after any payment required to satisfy the Incentive Collateral Management Fee IRR Threshold) in payment of an Incentive Collateral Management Fee;

(V) to the payment of any value added taxes in respect of the Incentive Collateral Management Fee under paragraph (U) above (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(W) any remaining Principal Proceeds to the payment of principal on the Subordinated Notes on a *pro rata* basis and thereafter to the payment of interest on a pro rata basis on the Subordinated Notes (in each case 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).

(iii) *Taxes*

(A) If the Issuer must account for any value added taxes attributable to any of the items referred to in the Priorities of Payments set out above (other than paragraph (A) of the Interest Priority of Payments), then such amounts in respect of value added taxes shall, except as otherwise provided in the Priorities of Payments, be paid *pro rata* and *pari passu* with such items.

(B) Where the payment of any amount in accordance with the Priorities of Payments set out above is subject to any deduction or withholding for or on account of any tax or any other tax (other than value added 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 authorities *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 tax has arisen.

(d) *Contributions*

At any time during the Reinvestment Period, any Noteholder may notify the Issuer, the Trustee, the Collateral Manager, the Initial Purchaser and the Collateral Administrator that it proposes to make a cash contribution to the Issuer (a "**Contribution**" and each such Noteholder, a "**Contributor**"). The Collateral Manager, on behalf of the Issuer, will (A) determine, in its reasonable discretion whether to accept any proposed Contribution and (B) agree with such Contributor the Permitted Use to which such proposed Contribution would be applied (or, if no direction is given by the Contributor at the time such Contribution is made, at the Collateral Manager's reasonable discretion). The Collateral Manager will provide written notice of such determination to the applicable Contributor thereof, the Collateral Administrator, the Issuer, the Initial Purchaser and the Trustee and such Contribution will be deemed to be accepted by the Issuer. If such Contribution is accepted by the Collateral Manager, it will be deposited by the Issuer into the Supplemental Reserve Account and applied to the Permitted Use agreed between the Collateral Manager and the Contributor (or, if no direction is given by the Contributor at the time such Contribution is made, at the Collateral Manager's reasonable discretion). No Contribution or portion thereof will be returned to the Contributor at any time. The acceptance of Contributions by the Collateral Manager, on behalf of the Issuer, shall be subject to the following conditions:

(i) no more than three Contributions in total may be accepted;

(ii) that on each occasion a Contribution shall be a minimum of EUR 500,000; and

(iii) the Class D Par Value Test will be satisfied immediately after a Contribution has been received.

(e) *Non-payment of Amounts*

Failure on the part of the Issuer to pay the Interest Amounts on the Class A Notes or Class B Notes pursuant to Condition 6 (*Interest*) in accordance with the Priorities of Payments by reason solely that there are insufficient funds standing to the credit of the Payment Account shall not constitute an Event of Default unless and until such failure continues for a period of at least five Business Days (or seven Business Days in the case of an administrative error or omission as described in Condition 10(a)(i) (*Non-payment of interest*)), 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 the Interest Amounts on the Class C Notes, Class D Notes, Class E Notes or Class F Notes pursuant to Condition 6 (*Interest*) in accordance with the Priorities of Payments by reason solely that there are insufficient funds standing to the credit of the Payment Account shall not constitute an Event of Default but instead will constitute Deferred Interest pursuant to Condition 6(c) (*Deferral of Interest*).

Non-payment of amounts due and payable on the Subordinated Notes as a result of the insufficiency of available Interest Proceeds will not constitute an Event of Default.

Failure on the part of the Issuer to pay any principal when the same becomes due and payable on any Rated Note on the Maturity Date or any Redemption Date shall be an Event of Default *provided that*, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least five Business Days after the Collateral Administrator or the Principal Paying Agent receives written notice of, or has actual knowledge of, such administrative error or omission, and *provided further that* failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions or in the case of an Optional Redemption with respect to which a Refinancing fails will not constitute an Event of Default.

Subject always, in the case of Interest Amounts payable in respect of the Class C Notes, Class D Notes, Class E Notes and Class F Notes, to Condition 6(c) (*Deferral of Interest*) and save as otherwise provided in respect of any unpaid Collateral Management Fees (and value added tax payable in respect thereof), in the event of non-payment of any amounts referred to in the Interest Priority of Payments or the Principal Priority of Payments on any Payment Date, such amounts shall remain due and shall be payable on each subsequent Payment Date in the orders of priority provided for in this Condition 3 (*Status*). References to the amounts referred to in the Interest Priority of Payments and the Principal Priority of Payments of this Condition 3 (*Status*) shall include any amounts thereof not paid when due and still outstanding in accordance with this Condition 3 (*Status*) on any preceding Payment Date.

(f) *Determination and Payment of Amounts*

The Collateral Administrator will, in consultation with the Collateral Manager, as of each Determination Date, calculate the amounts payable on the applicable Payment Date pursuant to the Priorities of Payments 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 noon (London time) on the Business Day preceding each Payment Date, cause the amounts standing to the credit of, if applicable, the Principal Account, the Unused Proceeds Account, the Interest Account and the Supplemental Reserve Account (together with, to the extent applicable, amounts standing to the credit of any other Account, but excluding any amounts in respect of Hedge Issuer Tax Credit Payments received by the Issuer and payable to the Hedge Counterparty and any Tax Credits received by the Issuer and payable to an Obligor under a Collateral Obligation) to the extent required to pay the amounts referred to in the Interest Priority of Payments and the Principal Priority of Payments which are payable on such Payment Date, to be transferred to the Payment Account in accordance with Condition 3(k) (*Payments to and from the Accounts*).

(g) *De Minimis Amounts*

The Collateral Administrator may, in consultation with the Collateral 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, Class E Notes, the Class F Notes and the Subordinated Notes from time to time pursuant to the Priorities of Payments 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 Subordinated Note is a whole amount, not involving any fraction of a 0.01 Euro or, at the discretion of the Collateral Administrator, part of a Euro.

(h) *Publication of Amounts*

The Collateral Administrator on behalf of the Issuer will cause details of the amounts of interest and principal to be paid, and any amounts of interest payable but not paid, on each Payment Date in respect of the Notes to be notified at the expense of the Issuer to the Issuer, the Trustee, the Principal

Paying Agent, the Registrar and the Irish Stock Exchange by no later than 11.00 am (London time) on the Business Day prior to the applicable Payment Date in the Payment Date Report.

(i) *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 Collateral Manager, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and (in the absence of the Collateral Administrator's fraud, negligence or wilful default) 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*).

(j) *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 Supplemental Reserve Account;
- the Expense Reserve Account;
- the Unfunded Revolver Reserve Account;
- the Custody Account;
- the First Period Reserve Account; and
- the Interest Smoothing Account.

The Issuer shall establish the following accounts with the Account Bank or the Custodian (as applicable) upon the request of the Collateral Manager:

- the Currency Account(s);
- the Counterparty Downgrade Collateral Account(s); and
- the Hedge Termination Account(s).

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 under the Transaction Documents. 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 and Account Bank Agreement.

Amounts standing to the credit of the Accounts (other than the Unfunded Revolver Reserve Account, the Counterparty Downgrade Collateral Accounts and the Payment Account) from time to time may be invested by the Collateral Manager on behalf of the Issuer in Eligible Investments.

All interest accrued on any of the Accounts (other than any Counterparty Downgrade Collateral Accounts) from time to time shall be paid into the Interest Account, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All principal amounts received in respect of Eligible Investments standing to the credit of any Account from time to time shall be credited to that Account upon maturity, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All interest accrued on such Eligible Investments (including capitalised interest received upon the sale, maturity or termination of any such investment) shall be paid to the Interest Account as, and to the extent provided, above.

To the extent that any amounts required to be paid into any Account pursuant to the provisions of this Condition 3 (*Status*) are denominated in a currency other than Euro, the Collateral Manager, acting on behalf of the Issuer, shall (other than in the case of any Counterparty Downgrade Collateral Accounts) convert such amounts into the currency of the Account at the Spot Rate as determined by the Collateral Administrator at the direction of the Collateral Manager.

Notwithstanding any other provisions of this Condition 3(j) (*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 Supplemental Reserve Account, (v) all interest accrued on the Accounts, (vi) the Currency Account (to the extent determined by the Collateral Manager to be in the nature of interest), (vii) the Counterparty Downgrade Collateral Accounts, (viii) the First Period Reserve Account and (ix) the Interest Smoothing 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 Interest Smoothing Account, the Expense Reserve Account, the Supplemental Reserve Account, the First Period Reserve Account, the Currency Account (to the extent determined by the Collateral Manager to be in the nature of interest) and, to the extent not required to be repaid to any Hedge Counterparty, the relevant

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.

Following the end of the Reinvestment Period, the Issuer (or the Collateral Manager acting on its behalf) may open additional ledgers in the Principal Account to separate payments of Scheduled Principal Proceeds and Unscheduled Principal Proceeds.

(k) *Payments to and from the Accounts*

(i) *Principal Account*

The Issuer will procure that the following Principal Proceeds are paid into the Principal Account promptly upon receipt thereof:

(A) all principal payments received in respect of any Collateral Obligation including, without limitation:

(1) Scheduled Principal Proceeds;

(2) amounts received in respect of any maturity, scheduled amortisation, mandatory prepayment or mandatory sinking fund payment on a Collateral Obligation;

(3) Unscheduled Principal Proceeds; and

(4) any other principal payments with respect to Collateral Obligations (to the extent not included in the Sale Proceeds);

but excluding (i) any such payments received in respect of any Revolving Obligation or Delayed Drawdown Collateral Obligation, to the extent required to be paid into the Unfunded Revolver Reserve Account, (ii) principal proceeds on any Non-Euro

Obligation to the extent required to be paid into the Currency Account and (iii) any such payments received in respect of any Hedge Replacement Receipts or Hedge Counterparty Termination Payments to the extent required to be paid into the Hedge Termination Account, (iv) principal proceeds received both during and after the Reinvestment Period in connection with the acceptance of an Offer (for the avoidance of doubt, to the extent that such proceeds will be reinvested automatically as consideration for the Collateral Obligation subject to such Offer, subject to the Restructured Obligation Criteria being satisfied) and (v) any amounts representing Tax Credits;

(B) all interest and other amounts received in respect of any Defaulted Obligation or any Mezzanine Loan for so long as it is a Defaulted Obligation (save for Defaulted Obligation Excess Amounts) and amounts representing the element of deferred interest in any payments received in respect of any PIK Obligation;

(C) all premiums (including prepayment premiums) receivable upon redemption of any Collateral 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 Obligation;

(D) all fees and commissions (including syndication fees) received in connection with the purchase or sale of any Collateral Obligations or Eligible Investments or work out or restructuring of any Defaulted Obligations or Collateral Obligations as determined by the Collateral Manager in its reasonable discretion;

(E) all Sale Proceeds received in respect of a Collateral Obligation;

(F) all Distributions and Sale Proceeds received in respect of Exchanged Equity Securities;

(G) all Purchased Accrued Interest;

(H) amounts transferred to the Principal Account from any other Account as required below;

(I) all proceeds received from any additional issuance of Notes in accordance with Condition 17(a) (*Additional Issuances*) (other than proceeds received during the Initial Investment Period) that are not invested in Collateral Obligations;

(J) all proceeds received from any additional issuance of Subordinated Notes in accordance with Condition 17(b) (*Additional Issuances*) that the Issuer (or the Collateral Manager acting on its behalf) directs be paid from the Supplemental Reserve Account in accordance with Condition 3(k)(vi) (*Supplemental Reserve Account*) below;

(K) any other amounts received in respect of the Collateral which are not required to be paid into another Account;

(L) all amounts transferred from the Counterparty Downgrade Collateral Accounts to the Principal Account in accordance with Condition 3(k)(v) (*Counterparty Downgrade Collateral Accounts*) below;

(M) all amounts transferred from the Supplemental Reserve Account in accordance with Condition 3(k)(vi) (*Supplemental Reserve Account*) below;

(N) all amounts transferred from the Expense Reserve Account under Condition 3(k)(x) (*Expense Reserve Account*);

(O) all amounts payable into the Principal Account pursuant to paragraph (W) of the Interest Priority of Payments upon the failure to meet the Reinvestment Par Value Test during the Reinvestment Period;

(P) all principal payments and Purchased Accrued Interest received in respect of any Non-Eligible Issue Date Collateral Obligation or any other asset which did not satisfy the Eligibility Criteria on the date it was required to do so and which has not been sold by the Collateral Manager in accordance with the Collateral Management and Administration Agreement;

(Q) all amounts transferred to the Principal Account from the Currency Account pursuant to paragraph (B) of Condition 3(k)(ix) (*Currency Accounts*) following exchange of such amounts into Euros (to the extent not already in Euros) by the Issuer following consultation with the Collateral Manager;

(R) any other amounts which are not required to be paid into any other Account in accordance with this Condition 3(k) (*Payments to and from the Accounts*); and

(S) any amount transferred from the First Period Reserve 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 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 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 Collateral Manager (on behalf of the Issuer) pursuant to the Collateral Management and Administration Agreement for a period beyond such Payment Date, *provided that* no such payment shall be made to the extent that such amounts are not required to be distributed pursuant to the Principal Priority of Payments on such Payment Date;

(2) at any time at the discretion of the Collateral Manager, acting on behalf of the Issuer, in accordance with the terms of, and to the extent permitted under, the Collateral Management and Administration Agreement, in the acquisition of Collateral Obligations (including any payments to a Currency Hedge Counterparty in respect of initial principal exchange amounts pursuant to any Currency Hedge Transaction entered into in respect thereof and including to the extent that any such acquisition costs represent accrued interest and/or transfer fees, subject to the Collateral Manager's discretion to use Interest Proceeds or Principal Proceeds for the purposes of such acquisition) including amounts equal to the Unfunded Amounts of any Revolving Obligations or Delayed Drawdown Collateral Obligations which are required to be deposited in the Unfunded Revolver Reserve Account; and

(3) on any Payment Date, at the discretion of the Collateral Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Collateral Management and 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 Obligations 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 (i) interest proceeds on any Non-Euro Obligation to the extent required to be paid into the Currency Account, (ii) any interest received in respect of any Defaulted Obligations and Mezzanine Loan for so long as it is a Defaulted Obligation (save for Defaulted Obligation Excess Amounts) and (iii) amounts representing the element of deferred interest in any payments received in respect of any PIK Obligation;

(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, syndication fees, delayed compensation and all other fees and commissions received in connection with any Collateral Obligations and Eligible Investments (other than fees and commissions received in connection with the purchase or sale of any Collateral Obligations or Eligible Investments or work out or restructuring of any Defaulted Obligations or Collateral Obligations which fees and commissions shall be payable into the Principal Account and shall constitute Principal Proceeds);

(D) all accrued interest included in the proceeds of sale of any other Collateral Obligation that are designated by the Collateral Manager as Interest Proceeds pursuant to the Collateral Management and Administration Agreement (*provided that* no such designation may be made in respect of (i) any Purchased Accrued Interest, (ii) any interest received in respect of any Defaulted Obligation or Mezzanine Loan for so long as it is a Defaulted Obligation (save for Defaulted Obligation Excess Amounts));

(E) all proceeds received during the related Due Period from any additional issuance of Subordinated Notes in accordance with Condition 17(b) (*Additional Issuances*) that the Issuer or Collateral Manager directs be paid from the Supplemental Reserve Account or that are automatically transferred from the Supplemental Reserve Account, in each case in accordance with Condition 3(k)(vi) (*Supplemental Reserve Account*);

(F) all amounts representing the element of deferred interest (other than Purchased Accrued Interest) in any payments received in respect of any Mezzanine Loan which is not a Defaulted Obligation and which by its contractual terms provides for the deferral of interest;

(G) amounts transferred to the Interest Account from the Unused Proceeds Account in the circumstances described under Condition 3(k)(iii) (*Unused Proceeds Account*) below;

(H) all scheduled commitment fees received by the Issuer in respect of any Revolving Obligations or Delayed Drawdown Collateral Obligations;

(I) all amounts received by the Issuer in respect of interest paid in respect of any collateral deposited by the Issuer with a third party as security for any reimbursement or indemnification obligations to any other lender under a Revolving Obligation or a Delayed Drawdown Collateral Obligation in an account established pursuant to an ancillary facility;

(J) all amounts transferred from the Supplemental Reserve Account under Condition 3(k)(vi) (*Supplemental Reserve Account*);

(K) all amounts transferred from the Expense Reserve Account under Condition 3(k)(x) (*Expense Reserve Account*);

(L) all Scheduled Periodic Hedge Counterparty Payments received by the Issuer under any Hedge Transaction excluding any Scheduled Principal Proceeds or Hedge Replacement Receipts;

(M) all cash payments of interest in respect of any Non-Eligible Issue Date Collateral Obligations or any other asset which did not satisfy the Eligibility Criteria on the date it was required to do so and that have not been sold by the Collateral Manager, 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 Collateral Management and Administration Agreement;

(N) any amounts relating to a Hedge Issuer Tax Credit Payment received by the Issuer from the tax authorities of any jurisdiction;

(O) any Interest Smoothing Amounts which are required to be transferred from the Interest Smoothing Account;

(P) all amounts transferred from the First Period Reserve Account;

(Q) any amounts relating to a Tax Credit received by the Issuer from the tax authorities in any jurisdiction; and

(R) any remaining amounts following application of the Partial Redemption Priority of Payments pursuant to Condition 3(n)(iv) (*Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date).*

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Interest Account:

(1) on the Business Day prior to each Payment Date, all Interest Proceeds standing to the credit of the Interest Account shall be transferred to the Payment Account to the extent required for disbursement pursuant to the Interest Priority of Payments save for amounts deposited after the end of the related Due Period, any amounts representing any Hedge Issuer Tax Credit Payments to be disbursed pursuant to (3) below and any amounts representing any Tax Credits to be distributed pursuant to (4) below;

(2) at any time in accordance with the terms of, and to the extent permitted under, the Collateral Management and Administration Agreement, in the acquisition of Collateral Obligations to the extent that any such acquisition costs represent accrued interest and/or transfer fees, subject to the Collateral Manager's discretion to use Interest Proceeds or Principal Proceeds for the purposes of such acquisition;

(3) any Scheduled Periodic Interest Rate Hedge Issuer Payments and any Hedge Issuer Tax Credit Payments;

(4) any Tax Credits at any time in accordance with the Underlying Instruments relating to a Collateral Obligation and without regard to the Priorities of Payments;

(5) upon receipt by the Issuer of interest on a Collateral Obligation which was acquired pursuant to the Warehouse Arrangements to the extent such interest represents interest accrued on such Collateral Obligation prior to the Issue Date, such accrued interest will be paid to the relevant lenders under the Warehouse Arrangements;

(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, any Interest Smoothing Amount required to be transferred to the Interest Smoothing Account; and

(7) on the Business Day prior to a Partial Redemption Date, all Partial Redemption Interest Proceeds shall be transferred to the Payment Account to the extent required for disbursement pursuant to the Partial Redemption Priority of Payments.

(iii) *Unused Proceeds Account*

The Issuer will procure that the following amounts are credited to the Unused Proceeds Account:

(A) on the Issue Date, the net proceeds of issue of the Notes; and

(B) all proceeds received during the Initial Investment Period from any additional issuance of Notes in accordance with Condition 17(a) (*Additional Issuances*) that are not invested in Collateral Obligations.

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 after the Issue Date but prior to the first Payment Date:

(a) in payment of Issue Date Administrative Expenses;

(b) to the transfer to the Expenses Reserve Account in an amount determined by the Collateral Manager for the purposes of making payment of (i) Issue Date Administrative Expenses and (ii) Trustee Fees and Expenses and Administrative Expenses; and

(d) to the transfer to the First Period Reserve Account on or about the Issue Date of EUR 1,500,000;

(2) on or about the Issue Date, such amounts equal to the aggregate of (without double counting):

(a) the purchase price for certain Collateral Obligations purchased on or prior to the Issue Date, including pursuant to the Warehouse Arrangements; and

(b) amounts required for repayment of any amounts due by the Issuer (together with interest thereon) in order to finance the acquisition of certain Collateral Obligations on or prior to the Issue Date, including pursuant to the Warehouse Arrangements;

(3) 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 Collateral Management and Administration Agreement, in the acquisition of Collateral Obligations;

(4) in the event of the occurrence of an Effective Date Rating Event, the Balance standing to the credit of the Unused Proceeds Account on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required to cause such Effective Date Rating Event to no longer be continuing, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payments; and

(5) on or after the Effective Date but on or prior to the first Payment 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 Collateral Manager, acting on behalf of the Issuer, *provided that* as at such date: (i) Rating Agency Confirmation has been received following delivery of the Effective Date Report (*provided that* if the Effective Date Moody's Condition is satisfied then such Rating Agency Confirmation shall be deemed to have been received from Moody's); and (ii) no more than 1.0 per cent. of the Collateral Principal Amount (on a cumulative basis) may be transferred to the Interest Account.

(iv) *Payment Account*

The Issuer, or the Collateral Administrator (acting on behalf of the Issuer), as the case may be, will procure that, on the Business Day prior to each Payment Date or Partial Redemption Date (as applicable), 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(j) (*Accounts*) and Condition 3(k) (*Payments to and from the Accounts*) are so transferred, and, on such Payment Date or Partial Redemption Date (as applicable), the Collateral Administrator shall instruct the Account Bank (acting on the basis of the Payment Date Report), to disburse such amounts in accordance with the Priorities of Payments. No amounts shall be transferred to or withdrawn from the Payment Account at any other time or in any other circumstances, save that all interest accrued on the Payment Account shall be credited to the Interest Account.

(v) *Counterparty Downgrade Collateral Accounts*

The Issuer will procure that all Counterparty Downgrade Collateral transferred pursuant to a Hedge Agreement shall be deposited in a separate Counterparty Downgrade Collateral Account in respect of each Hedge Counterparty and such Hedge Agreement and that all interest accrued on the Balance standing to the credit of a Counterparty Downgrade Collateral Account shall be deposited into such Counterparty Downgrade Collateral Account. The Issuer will procure the payment of the following amounts out of a Counterparty Downgrade Collateral Account (and shall ensure that no other payments are made, save to the extent otherwise permitted):

(1) prior to the occurrence or designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" (as defined in such Hedge Agreement) entered into under such Hedge Agreement pursuant to which all such "Transactions" under such Hedge Agreement are terminated early, solely in or towards payment or transfer of:

(a) any "Return Amounts" (if applicable and as defined in such Hedge Agreement or the Credit Support Annex thereto);

(b) any "Interest Amounts" and "Distributions" (if applicable and each as defined in such Hedge Agreement or the Credit Support Annex thereto); and

(c) any other return or transfer of collateral or other payment amounts in the nature of interest or distributions in respect of collateral in accordance with the terms of such Hedge Agreement (including, without limitation, in connection with any permitted novation or other transfer of the Hedge Counterparty's obligations in respect of all "Transactions" thereunder),

directly to the Hedge Counterparty in accordance with the terms of such Hedge Agreement (including, if applicable, the Credit Support Annex thereto);

(2) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under such Hedge Agreement are terminated early where (A) the relevant Hedge Counterparty is a Defaulting Hedge Counterparty and (B) the Issuer enters into one or more Replacement Hedge Agreements or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty, in the following order of priority:

(a) first, in or towards payment of any Hedge Replacement Payments in respect of Replacement Hedge Transactions relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account);

(b) second, in or towards payment of any Hedge Issuer Termination Payments relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account); and

(c) third, the surplus amount standing to the credit of such Counterparty Downgrade Collateral Account (if any) to the Principal Account;

(3) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under such Hedge Agreement are terminated early where (A) the relevant Hedge Counterparty is not a Defaulting Hedge Counterparty and (B) the Issuer enters into one or more Replacement Hedge Agreements or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty, in the following order of priority:

(a) first, in or towards payment of any Hedge Issuer Termination Payments relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account);

(b) second in or towards payment of any Hedge Replacement Payments in respect of Replacement Hedge Transactions relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account); and

(c) third, the surplus amount standing to the credit of such Counterparty Downgrade Collateral Account (if any) to the Principal Account; and

(4) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under such Hedge Agreement are terminated early and if the Issuer, or the Collateral Manager on its

behalf, determines not to replace such terminated "Transactions" and Rating Agency Confirmation is received in respect of such determination or termination of such "Transactions" occurs on a Redemption Date or if for any reason the Issuer is unable to enter into one or more Replacement Hedge Agreements or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty, in the following order of priority:

(a) *first*, in or towards payment of any Hedge Issuer Termination Payments relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account); and

(b) *second*, the surplus amount standing to the credit of such Counterparty Downgrade Collateral Account (if any) to the Principal Account.

Except to the extent transferred to the Principal Account in accordance with the preceding paragraphs, 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 the Principal Proceeds or of the Interest Proceeds and accordingly, are not available to fund general distributions of the Issuer. The cash amounts and securities standing to the credit of the applicable Counterparty Downgrade Collateral Account shall be segregated on the Custodian's books and records from any other cash amounts and securities from any party.

(vi) *Supplemental Reserve Account*

The Issuer will procure that, on each Payment Date, each Supplemental Reserve Amount in respect of such Payment Date, each Contribution, the proceeds of issuance of any Subordinated Notes pursuant to Condition 17(b) (*Additional Issuances*) and all Collateral Enhancement Obligation Proceeds shall be deposited into the Supplemental Reserve Account. The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Supplemental Reserve Account:

(1) at any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), in accordance with the Collateral Management and Administration Agreement, to the Principal Account for either (x) during the Reinvestment Period to reinvest in Substitute Collateral Obligations or invest in additional Collateral Obligations or (y) otherwise for distribution on the next following Payment Date in accordance with the Priorities of Payments;

(2) at any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), to the Interest Account for distribution on the next Payment Date in accordance with the Priorities of Payments;

(3) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Obligations, in accordance with the terms of the Collateral Management and Administration Agreement;

(4) at any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), to purchase any Rated Notes in accordance with Condition 7(k) (*Purchase*);

(5) in the event of the occurrence of an Effective Date Rating Event which is continuing on the sixth Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required to cause such Effective Date Rating Event to no longer be continuing, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payments; and

(6) the Balance standing to the credit of the Supplemental Reserve Account to the Payment Account for distribution on the next Payment Date in accordance with the Principal Priority of Payments or the Post-Acceleration Priority of Payments (as applicable) (1) at the direction of the Collateral 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*); and

(7) on any Payment Date, as directed by the Issuer in its discretion (or the Collateral Manager acting on its behalf), some or all of the Supplemental Reserve Amount(s) or any amounts received as Collateral Enhancement Obligation Proceeds to the payment of distributions on the Subordinated Notes (for the avoidance of doubt, not in accordance with the Priorities of Payments) in each case 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), *provided that* if the Incentive Collateral Management Fee IRR Threshold has been reached (after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date), 10.0 per cent. of such Collateral Enhancement Obligation Proceeds shall be paid to the Collateral Manager in respect of the Incentive Collateral Management Fee, *provided however that* the Collateral Manager may, in its sole discretion, elect to irrevocably waive some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (7) on any Payment Date and apply such amount to the payment of distributions on the Subordinated Notes, subject to the Collateral Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied,

each of the foregoing being a "**Permitted Use**", *provided that*, for the avoidance of doubt, in respect of items (1), (2), (6)(1) and (7) above there is no obligation for such payment to be made to the Principal Account, Interest Account or Payment Account (as applicable) prior to any Payment Date unless the Issuer (or the Collateral Manager on its behalf) so directs.

No Contribution or portion thereof accepted by the Collateral Manager acting on behalf of the Issuer will be returned to the Contributor at any time (other than in accordance with the Priorities of Payments) and each Contribution shall be applied solely for the Permitted Use agreed between the Collateral Manager and the relevant Contributor pursuant to Condition 3(d) (*Contributions*).

(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 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 Obligations (which Unfunded Amounts will be treated as part of the purchase price for the related Revolving Obligation or Delayed Drawdown Collateral 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 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 Obligation or otherwise by the Collateral Manager, acting on behalf of the Issuer; and

(C) all repayments of collateral to the Issuer originally paid by the Issuer pursuant to (2) below.

The Issuer shall procure payment of the following amounts (and shall ensure that no other amounts are paid) out of the Unfunded Revolver Reserve Account:

(1) all amounts required to fund any drawings under any Delayed Drawdown Collateral Obligation or Revolving Obligation;

(2) in respect of Delayed Drawdown Collateral 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 Obligation (subject to such security documentation as may be agreed between such lender and the Collateral Manager acting on behalf of the Issuer);

(3) (x) at any time at the direction of the Collateral Manager (acting on behalf of the Issuer) or (y) upon the sale (in whole or in part) of a Revolving Obligation or a Delayed Drawdown Collateral Obligation, or the reduction, cancellation or expiry of any commitment of the Issuer to make future advances or otherwise extend credit thereunder, any excess of (a) the amount standing to the credit of the Unfunded Revolver Reserve Account over (b) the sum of the Unfunded Amounts of all Revolving Obligations and Delayed Drawdown Collateral 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 to the Interest Account following conversion thereof into Euros at the Spot Rate by the Collateral Administrator in consultation with the Collateral Manager to the extent necessary.

(viii) *Hedge Termination Account*

The Issuer will procure that all Hedge Counterparty Termination Payments and Hedge Replacement Receipts are paid into the appropriate 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 Interest Rate Hedge Issuer Termination Payment or Currency Hedge Issuer Termination Payment, as applicable, due and payable to a Hedge Counterparty under the Hedge Transaction being replaced or to the extent not required to make such payment, in payment of such amount to the Principal Account;

(B) at any time, in the case of any Hedge Counterparty Termination Payments paid into the relevant Hedge Termination Account, in payment of any Hedge Replacement Payment and any other amounts payable by the Issuer upon entry into a Replacement Hedge Transaction in accordance with the Collateral Management and Administration Agreement; and

(C) in the case of any Hedge Counterparty Termination Payments paid into the relevant Hedge Termination Account, in the event that:

(1) the Issuer, or the Collateral Manager on its behalf, determines not to replace the Hedge Transaction (or part thereof) and Rating Agency Confirmation is received in respect of such determination (other than where such determination is made in connection with a Currency Hedge Transaction which has been terminated (in whole or in part) solely as a result of the sale or prepayment or redemption or repayment of the relevant Non-Euro Obligation); or

(2) termination of the Hedge Transaction (in whole or in part) under which such Hedge Counterparty Termination Payments are payable occurs on a Redemption Date; or

(3) to the extent that such Hedge Counterparty Termination Payments are not required for application towards costs of entry into a Replacement Hedge Transaction,

in payment of such amounts (save for accrued interest thereon) to the Principal Account.

(ix) *Currency Accounts*

The Issuer will procure that all amounts received in respect of any Non-Euro Obligations (including Sale Proceeds, but excluding Currency Hedge Replacement Receipts and Hedge Counterparty Termination Payments) to the extent not required to be paid directly to the Interest Account or Principal Account are paid into the appropriate Currency Account in the currency of receipt thereof. A separate Currency Account will be established in respect of each applicable currency.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made) out of the Currency Account:

(A) at any time, all amounts payable by the Issuer to the Currency Hedge Counterparty under any Currency Hedge Transaction save for Currency Hedge Issuer Termination Payments (other than where such Currency Hedge Issuer Termination Payments arise in connection with the termination of a Currency Hedge Transaction (in whole or in part) in circumstances where no Replacement Hedge Transaction is entered into by the Issuer which gives rise to a Hedge Replacement Receipt, including where a Currency Hedge Transaction has been terminated (in whole or in part) solely as a result of the sale or prepayment or redemption or repayment of the relevant Non-Euro Obligation) and Hedge Replacement Payments; and

(B) cash amounts representing any excess standing to the credit of the Currency Account after paying, or provisions for the payment, or any amounts to be paid to any Currency Hedge Counterparty pursuant to paragraph (A) above shall be converted into Euro at the Spot Rate by the Issuer following consultation with the Collateral Manager and transferred to the Interest Account, if the Collateral Manager reasonably determines such amounts are in the nature of interest, or otherwise, to the Principal Account.

(x) *Expense Reserve Account*

The Issuer shall procure that the following amounts are paid into the Expense Reserve Account:

(A) after the Issue Date but prior to the first Payment Date, an amount transferred from the Unused Proceeds Account for the payment of amounts due or accrued in connection with the issue of the Notes, in accordance with (1) and (3) below; and

(B) any amount applied in payment into the Expense Reserve Account pursuant to paragraph (D) of the Interest 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 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 Collateral Manager acting on its behalf);

(3) at any time, the amount of, firstly, any Trustee Fees and Expenses, and secondly, 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; and

(4) subject to the payment of the amounts under paragraph (3) above, to the payment of any Refinancing Costs.

(xi) *First Period Reserve Account*

The Issuer shall direct the Account Bank to deposit EUR 1,500,000 in the First Period Reserve Account on the Issue Date.

At any time up to and including the last day of the Initial Investment Period, the Collateral Manager, in its sole discretion (acting on behalf of the Issuer), may direct some or all amounts standing to the credit of the First Period Reserve Account to be used for (A) the acquisition of Collateral Obligations or (B) to the Principal Account pending such acquisition, subject to and in accordance with the Collateral Management and Administration Agreement. Following the Initial Investment Period, all of the funds in the First Period Reserve Account (save for amounts transferred to the Principal Account) (including all interest accrued thereon) shall be transferred to the Interest Account for distribution pursuant to the Interest Priority of Payments.

(xii) *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 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.

(l) *Collateral Manager Advances*

To the extent that there are insufficient sums standing to the credit of the Supplemental Reserve Account from time to time to exercise rights under Collateral Enhancement Obligations which the Collateral Manager determines on behalf of the Issuer should be exercised, the Collateral Manager may, at its discretion, pay amounts required in order to fund such exercise (such amount, a "**Collateral Manager Advance**") to such account pursuant to the terms of the Collateral Management and Administration Agreement. Each Collateral Manager Advance may bear interest at a rate specified by the Collateral Manager and notified to the Collateral Administrator in writing *provided that* such rate of interest shall not exceed a rate of EURIBOR plus 4.0 per cent. per annum. All such Collateral Manager Advances shall be repaid out of Interest Proceeds and Principal Proceeds on each Payment Date pursuant to the Priorities of Payments. The aggregate amount outstanding of all Collateral Manager Advances shall not, at any time, exceed €10,000,000 or such greater number as the Subordinated Noteholders may approve, acting by way of an Ordinary Resolution. The Collateral Manager may not assign or transfer any of its rights in relation to a Collateral Manager Advance, other than to (i) "professional market parties" as defined pursuant to the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and the rules promulgated thereunder, as amended or any subsequent legislation replacing that act or (ii), as soon as the competent authority publishes its interpretation of the term "public" (as referred to in article 4.1(1) of the Capital Requirements Regulation (EU/575/2013)), such party not considered to be part of the public on the basis of such interpretation.

(m) *Unscheduled Payment Dates*

The Issuer and the Collateral Manager may (and must if so directed by the Subordinated Noteholders acting by Ordinary Resolution) designate a date (other than a scheduled Payment Date and a Redemption Date) as a Payment Date (each an "**Unscheduled Payment Date**") if the following conditions are met:

(i) the proposed Unscheduled Payment Date is a Business Day falling on or after the date upon which the Rated Notes have been repaid or redeemed in full;

(ii) the Unscheduled Payment Date falls no less than 5 Business Days after the Collateral Manager (on behalf of the Issuer) has notified the Collateral Administrator, the Principal Paying Agent, the Trustee and the Noteholders (in accordance with Condition 16 (*Notices*)) of the intended date of the unscheduled payment;

(iii) the Unscheduled Payment Date falls more than 5 days prior to a scheduled Payment Date; and

(iv) the Unscheduled Payment Date falls no less than 5 days after any previous Unscheduled Payment Date.

(n) *Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date*

Subject as further provided below, the Collateral Administrator shall, on behalf of the Issuer on a Partial Redemption Date instruct the Account Bank to disburse Refinancing Proceeds received in respect of the Optional Redemption in part of any Class or Classes of Rated Notes and Partial

Redemption Interest Proceeds transferred to the Payment Account, in each case, in accordance with the following order of priority:

(i) to the payment of accrued and unpaid Trustee Fees and Expenses, to the extent incurred in connection with such Optional Redemption in part;

(ii) to the payment of Administrative Expenses in the priority stated in the definition thereof, to the extent incurred in connection with any Optional Redemption in part;

(iii) to the redemption of the Class or Classes of Rated Notes to be redeemed in part at the applicable Redemption Prices (in the case of any Partial Redemption Date that is a Payment Date without duplication of any amounts received by any Class of Notes pursuant to the Principal Priority of Payments, the Interest Priority of Payments and the Post-Acceleration Priority of Payments); and

(iv) any remaining amounts to be deposited in the Interest Account as Interest Proceeds.

4. Security

(a) *Security*

Pursuant to the Trust Deed, the obligations of the Issuer under the Notes, the Trust Deed, the Agency and Account Bank Agreement, the Collateral Management and 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 Obligations, Exchanged Equity Securities, Collateral Enhancement Obligations, Eligible Investments standing to the credit of each of the Accounts (other than the Counterparty Downgrade Collateral Accounts) and any other investments (other than the Counterparty Downgrade Collateral), in each case held by or on behalf of 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 agreement or deed) and where such contractual rights arise other than under securities), including, without limitation, 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 Obligations, Exchanged Equity Securities, Collateral Enhancement Obligations, Eligible Investments standing to the credit of each of the Accounts (other than the Counterparty Downgrade Collateral Accounts) and any other investments (other than the Counterparty Downgrade Collateral), in each case held by or on behalf of the Issuer (where such assets are securities or contractual rights not assigned by way of security pursuant to paragraph (i) above and which are capable of being the subject of a first fixed charge and first priority security interest), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(iii) a first fixed charge over all present and future rights of the Issuer in respect of each of the Accounts (other than the Counterparty Downgrade Collateral 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;

(iv) a first fixed charge and first priority security interest (where the applicable assets are securities) granted 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 the relevant 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 the relevant Counterparty Downgrade Collateral Account and all moneys from time to time standing to the credit of the relevant Counterparty Downgrade Collateral Account and the debts represented thereby including without limitation, all interest accrued and other monies received in respect thereof, subject, in each case, to the rights of any Hedge Counterparty to Counterparty Downgrade Collateral pursuant to the terms of the relevant Hedge Agreement and Condition 3(k)(v) (*Counterparty Downgrade Collateral Accounts*) and any first priority security interest granted by the Issuer to any Hedge Counterparty;

(v) an assignment by way of security of all the Issuer's present and future rights against the Custodian under the Agency and Account Bank 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 Currency Hedge Agreement and Interest Rate Hedge Agreement and each Currency Hedge Transaction and Interest Rate Hedge Transaction entered into thereunder (including the Issuer's rights under any guarantee or credit support annex entered into pursuant to any Currency Hedge Agreement or Interest Rate Hedge Agreement, *provided that* such assignment by way of security is without prejudice to, and after giving effect to, any contractual netting or set-off provision 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) 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);

(viii) an assignment by way of security over all the Issuer's present and future rights under the Collateral Management and Administration Agreement, the Agency and Account Bank Agreement, the Subscription Agreement, the Retention Undertaking Letter, each Collateral Acquisition Agreement, each other Transaction Document and all sums derived therefrom; and

(ix) a floating charge over the whole of the Issuer's undertaking and assets to the extent that such undertaking and assets are not subject to any other security created pursuant to the Trust Deed,

excluding, for the purpose of (i) to (ix) (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 (ix) (inclusive) above); (B) any and all Dutch Ineligible Securities; (C) the Issuer's rights under the Issuer Management Agreement; and (D) the Issuer's rights in respect of amounts standing to the credit of the Issuer Dutch Account.

The security created pursuant to paragraphs (i) to (ix) (inclusive) 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(k)(v) (*Counterparty Downgrade Collateral Accounts*)) when such collateral is expressed to be available to the Issuer and (if a title transfer arrangement) to the extent that no equivalent amount is owed to the Hedge Counterparty pursuant to the relevant Hedge Agreement and/or Condition 3(k)(v) (*Counterparty Downgrade Collateral Accounts*). The security will extend to the ultimate balance of all sums payable by the Issuer in respect of the above, regardless of any intermediate payment or discharge in whole or in part.

If, for any reason, the purported assignment by way of security of, and/or the grant of first fixed charges over, and/or the grant of a floating 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 or any other 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 the Conditions and the terms of the Collateral Management and 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:

(1) by way of a first priority security interest to a Hedge Counterparty over the Counterparty Downgrade Collateral deposited by such Hedge Counterparty in the relevant Counterparty Downgrade Collateral Account 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 Condition 3(k)(v) (*Counterparty Downgrade Collateral Accounts*) (subject to such security documentation as may be agreed between such third party, the Collateral Manager acting on behalf of the Issuer and the Trustee); and/or

(2) by way of first priority security interest over amounts representing all or part of the Unfunded Amount of any Revolving Obligation or Delayed Drawdown Collateral Obligation and deposited in its name with a third party as security for any reimbursement or indemnification obligation of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Obligation, subject to the terms of Condition 3(k)(vii) (*The Unfunded Revolver Reserve Account*) (including Rating Agency Confirmation),

in each case, excluding (i) any and all assets, property or rights which are located in, or governed by the laws of, The Netherlands, and (ii) 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. In the event that the ratings of the Custodian are downgraded to below the Rating Requirement or withdrawn, the Issuer shall use reasonable endeavours to procure that a replacement Custodian with the Rating Requirement and who is appointed on substantially the same terms of the Agency and Account Bank 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, in the event of its failure 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 Collateral 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 or liability. The Trust Deed also provides that the Trustee shall accept, without investigation, requisition or objection, such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Collateral and is not bound to make any investigation into the same or into the Collateral in any respect.

(b) *Application of Proceeds upon Enforcement*

The Trust Deed provides that the net proceeds of realisation of or enforcement with respect to the security over the Collateral constituted by the Trust Deed shall be applied in accordance with the priorities of payments 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 are limited recourse obligations and shall therefore be limited to the proceeds available at such time to make such payments in accordance with the Priorities of Payments and Condition 3(k) (*Payments to and from the Accounts*). Notwithstanding anything to the contrary in these Conditions or any other Transaction Document, if the net proceeds of realisation of the security constituted by the Trust Deed, upon enforcement thereof in accordance with Condition 11 (*Enforcement*) and the provisions of the Trust Deed or otherwise, are less than the aggregate amount payable in such circumstances by the Issuer in respect of the Notes, the Transaction Documents 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 Payments. In such circumstances, the other assets (including the amount standing to the credit of 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 Noteholders and the other Secured Parties in accordance with the Priorities of Payments (applied in reverse order). In such circumstances, the rights of the Noteholders and the rights of the other Secured Parties to receive any further amounts in respect of such obligations shall be extinguished and none of the Noteholders or the other Secured Parties may take any further action to recover such amounts. None of the Noteholders, the Trustee or the other Secured Parties (or 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 (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 agreements entered into or made by the Issuer pursuant to the terms of these Conditions 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 Foundation, the Initial Purchaser, the Collateral Manager or any Agent has any obligation to any Noteholder of any Class for payment of any amount by the Issuer in respect of the Notes of any Class.

(d) *Exercise of Rights in Respect of the Portfolio*

Pursuant to the Collateral Management and Administration Agreement, the Issuer authorises the Collateral 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 Collateral Manager is authorised, subject to any specific direction given by the Issuer, to attend and vote at any meeting of holders of, or other persons interested or participating in, or entitled to the rights or benefits (or a part thereof) under, the Portfolio and to give any consent, waiver, indulgence, time or notification, make any declaration or agree any composition, compounding or other similar arrangement with respect to any obligations forming part of the Portfolio.

(e) *Information Regarding the Collateral*

The Issuer shall procure that a copy of each Monthly Report and any Payment Date Report is made available within two Business Days of publication, to each Noteholder of each Class or any person who informs the Collateral Administrator in writing that it is a prospective investor in the Notes upon request in writing therefor and that copies of each such Report are made available to the Trustee, the Collateral Manager, the Initial Purchaser, the Hedge Counterparties and each Rating Agency within two Business Days of publication thereof.

5. Covenants of and Restrictions on the Issuer

(a) *Covenants of the Issuer*

Unless otherwise provided in the Transaction Documents, the Issuer covenants, among other things, 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 and Account Bank Agreement;

(D) under the Collateral Management and Administration Agreement;

(E) under the Issuer Management Agreement;

(F) under each Collateral Acquisition Agreement;

(G) under any Hedge Agreements;

(H) under any under any Reporting Delegation Agreement; and

(I) under the Retention Undertaking Letter;

(ii) comply with its obligations under the Notes, the Trust Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement, each Reporting Delegation Agreement and each other Transaction Document to which it is a party;

(iii) keep proper books of account in accordance with its obligations under Dutch law and maintain books/records separate from any other person or entity;

(iv) at all times maintain its tax residence outside the United Kingdom, the United States and France and will not establish a branch, permanent establishment, agency (other than the appointment of the Collateral Manager and the Collateral Administrator pursuant to the Collateral Management and Administration Agreement) or place of business or register as a company in the United Kingdom, the United States or France;

(v) conduct its business and affairs such that, at all times:

(A) it shall maintain its registered office in The Netherlands;

(B) it shall hold all meetings of its board of directors in The Netherlands and ensure that all of its directors are resident in The Netherlands for tax purposes, that they will exercise their control over the business and the Issuer independently and that those directors (acting independently) exercise their authority only from and within The Netherlands by taking all key decisions relating to the Issuer in The Netherlands;

(C) it shall not open any office or branch or place of business outside of The Netherlands; and

(D) it shall not knowingly take any action (save to the extent necessary for the Issuer to comply with its obligations under the Transaction Documents) which will cause its "centre of main interests" (within the meaning of the European Insolvency Regulation (EU) No. 2015/848 (the "**Insolvency Regulations**") to be located in any jurisdiction other than The Netherlands and will not establish any offices, branches or other permanent establishments (as defined in the Insolvency Regulations) or register as a Company in any jurisdiction other than The Netherlands;

(vi) pay its debts generally as they fall due;

(vii) do all such things as are necessary to maintain its corporate existence;

(viii) use its best endeavours to obtain and maintain the listing on the Main Securities 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;

(ix) supply such information to the Rating Agencies as they may reasonably request;

(x) ensure that its tax residence for the purpose of Dutch law and the French Netherlands tax treaty of 16 March 1973 is and remains at all times in The Netherlands;

(xi) 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; and

(xii) act as an entity that issues notes to investors and will use the proceeds to purchase interests in loans from one or more other lenders within the meaning of the 2012 ECB guidance to Regulation (EC) No. 24/2009 of the European Central Bank of 19 December 2008.

(b) *Restrictions on the Issuer*

For so long as any of the Notes remain Outstanding, save as provided 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 Collateral Management and 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, these Conditions or the Transaction Documents;

(ii) sell, factor, discount, transfer, assign, lend or otherwise dispose of, nor create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over, any of its other property or assets or any part thereof or interest therein other than in accordance with the Trust Deed, a Hedge Agreement, these Conditions or the other Transaction Documents;

(iii) engage in any business other than:

(A) acquiring and holding any property, assets or rights that are capable of being effectively charged 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 and Account Bank Agreement, the Collateral Management and Administration Agreement, the Warehouse Deed of Release, any Reporting Delegation 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 and Account Bank Agreement, the Collateral Management and Administration Agreement, the Issuer Management Agreement, any Reporting Delegation Agreement, each Hedge Agreement or any other Transaction Document to which it is a party (save in accordance with these Conditions and the Trust Deed), *provided that*, notwithstanding these Conditions and the Trust Deed, the Issuer may agree to any amendments to the Issuer Management Agreement as it may determine necessary to take into account the appointment of any replacement Managing Director in accordance with the terms of the Issuer Management Agreement;

(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 Collateral Management and Administration Agreement;

(vii) amend its constitutional documents;

(viii) have any subsidiaries;

(ix) establish any offices, branches or other "establishment" (as that term is used in article 2(9) of Council Regulation (EC) No. 2015/848 on Insolvency Proceedings) outside of The Netherlands;

(x) have any employees (for the avoidance of doubt the Managing Directors of the Issuer do not constitute employees);

(xi) enter into any reconstruction, amalgamation, merger or consolidation;

(xii) 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 dividends payable to the Foundation;

(xiii) issue any shares (other than the share that is in issue as at the Issue Date) nor redeem or purchase any of its issued share capital and shall maintain adequate share capital in light of its contemplated business operations;

(xiv) enter into any material agreement or contract with any Person (other than an agreement on customary market terms which for the avoidance of doubt will include agreements to buy and sell obligations and documentation relating to restructurings (including steering committee indemnity letters), which terms do not contain the provisions below) unless such contract or agreement contains "limited recourse" and "non-petition" provisions and such Person agrees that, prior to the date that is one year and one day after all the related obligations of the Issuer have been paid in full (or, if longer, the applicable preference period under applicable insolvency law), such Person shall not take any action or institute any proceeding against the Issuer under any insolvency law applicable to the Issuer or which would reasonably be likely to cause the Issuer to be subject to, or seek protection of, any such insolvency law; *provided that* such Person shall be permitted to become a party to and to participate in any proceeding or action under any such insolvency law that is initiated by any other Person other than one of its Affiliates;

(xv) otherwise than as contemplated in the Transaction Documents, release from or terminate the appointment of the Custodian or the Account Bank under the Agency and Account Bank Agreement, the Collateral Manager or the Collateral Administrator under the Collateral Management and Administration Agreement (including, in each case, any transactions entered into thereunder) or, in each case, from any executory obligation thereunder;

(xvi) comingle its assets with those of any other Person or entity;

(xvii) enter into any lease in respect of, or own, premises; or

(xviii) act as an entity that issues notes to investors and use the proceeds to grant new loans for its own account, within the meaning of the 2012 ECB guidance to Regulation (EC) No. 24/2009 of the European Central Bank of 19 December 2008.

6. Interest

(a) *Payment Dates*

(i) *Rated Notes*

The Rated Notes each bear interest from (and including) the Issue Date and such interest will be payable (A) in the case of interest accrued during the initial Accrual Period, for the period from (and including) the Issue Date to (but excluding) the Payment Date falling in April 2018, (B) thereafter, at any time prior to the occurrence of a Frequency Switch Event, quarterly and (C) at any time following the occurrence of a Frequency Switch Event, semi annually, in each case in arrear on each Payment Date.

(ii) *Subordinated Notes*

Interest shall be payable on the Subordinated Notes to the extent funds are available in accordance with paragraph (EE) of the Interest Priority of Payments, paragraph (W) of the Principal Priority of Payments and paragraph (BB) of the Post-Acceleration Priority of Payments on each Payment Date or other relevant 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 Notes remains 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 or other payment date following payment in full of amounts payable pursuant to the Priorities of Payments on such Payment Date or other payment date.

(b) *Interest Accrual*

(i) *Rated Notes*

Each Rated Note (or, as the case may be, the relevant part thereof due to be redeemed) will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 6 (*Interest*) (both before and after judgment) until whichever is the earlier of (A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (B) the day following seven days after the Trustee or the Principal Paying Agent has notified the Noteholders of such Class of Notes in accordance with Condition 16 (*Notices*) of receipt of all sums due in respect of all the Notes of such Class up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

(ii) *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 Payments.

(c) *Deferral of 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 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 Payments.

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) (*Deferred Interest*) otherwise be due and payable in respect of such Class 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, 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 redeemed in full.

(d) *Payment of Deferred Interest*

Deferred Interest in respect of any Class C Note, Class D Note, Class E Note or Class F Note shall only become payable by the Issuer in accordance with the relevant paragraphs of the Interest Priority of Payments, the Principal Priority of Payments and the Post-Acceleration Priority of Payments and under the Note Payment Sequence in each place specified in the Priorities of Payments to the extent that Interest Proceeds or Principal Proceeds, as applicable, or, where applicable, other net proceeds of enforcement of the security over the Collateral are available to make such payment in accordance with the Priorities of Payments (and, if applicable, the Note Payment Sequence). For the avoidance of doubt, 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 relevant Class, 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**") and 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:

(1) On each Interest Determination Date:

(a) in the case of the initial Accrual Period, the Calculation Agent will determine the offered rate for six month Euro deposits;

(b) in the case of an Accrual Period prior to the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for three month Euro deposits; and

(c) in the case of an Accrual Period following the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for six month Euro deposits or, in the case of the Accrual Period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls in July, 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 each 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.

(2) If the offered rate so appearing is replaced by the corresponding rates of more than one bank then paragraph (1) 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 (selected by the Issuer) 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, the offered rate for six 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 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 in July, for a period of three months (as determined by the Calculation Agent),

in each case, as at 11.00 am (Brussels time) on the Interest Determination Date in question. The Class A 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.

(3) 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.

(4) Where:

"**Applicable Margin**" means:

(i) in the case of the Class A Notes: 0.91 per cent. per annum (the "**Class A Margin**");

(ii) in the case of the Class B Notes: 1.55 per cent. per annum (the "**Class B Margin**");

(iii) in the case of the Class C Notes: 2.15 per cent. per annum (the "**Class C Margin**");

(iv) in the case of the Class D Notes: 2.95 per cent. per annum (the "**Class D Margin**");

(v) in the case of the Class E Notes: 4.70 per cent. per annum (the "**Class E Margin**"); and

(vi) in the case of the Class F Notes: 6.25 per cent. per annum (the "**Class F Margin**").

(5) Notwithstanding paragraphs (1), (2) and (3) above, if in relation to any Interest Determination Date, EURIBOR in respect of any Class of Rated Notes as determined in accordance with paragraphs (1), (2) and (3) above would yield a rate less than zero, EURIBOR shall be deemed to be zero for the purposes of determining the floating rate of interest pursuant to this Condition 6(e)(i) (*Floating Rate of Interest*).

(ii) *Determination of Floating Rate of Interest and Calculation of Interest Amount*

The Calculation Agent, on behalf of and at the expense of the Issuer, will, as soon as practicable after 11.00 am (Brussels time) on each Interest Determination Date, but in no event later than the Business Day after such date, 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. The Calculation Agent will calculate the interest amount payable in respect of original principal amounts 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 for the relevant Accrual Period. The amount of interest (an "**Interest Amount**") payable in respect of such Notes shall be calculated by applying the Class A Floating 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 the Class F Notes, respectively, to an amount equal to the Principal Amount Outstanding in respect of the relevant Class of Notes, multiplying the product by the actual number of days in the Accrual Period concerned divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards).

(iii) *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:

(1) a Calculation Agent shall be appointed and maintained for the purposes of determining the interest rate and interest amount payable in respect of the Notes; and

(2) in the event that the Class A Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, 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 Condition 6(e)(i)(2) (*Floating Rate of Interest*), the number of Reference Banks required pursuant to such paragraph (2) 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 as of 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 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 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 paragraph (EE) of the Interest Priority of Payments, paragraph (W) of the Principal Priority of Payments and paragraph (BB) of the Post-Acceleration Priority of Payments by the principal amount of the Subordinated Notes held by Subordinated Noteholders divided by the Principal Amount Outstanding of the Subordinated Notes, in each case immediately prior to such payment.

(g) *Publication of 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 and the Interest Amounts payable in respect of each Class of Rated Notes, the amount of any Deferred Interest due but not paid on any Class C Notes, Class D Notes, Class E Notes or Class F Notes for each Accrual Period and Payment Date and the Principal Amount Outstanding of each Class of Notes as of the applicable Payment Date to be notified to the Registrar, the Principal Paying Agent, the Transfer Agent, the Trustee, the Collateral Manager and, for so long as the Notes are listed on the Main Securities 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 so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Accrual Period. If any of 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, the Class F Floating Rate of Interest or the relevant Interest Amount for an Accrual Period, the Trustee (or a person appointed by it for the purpose) may 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 may 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 of the Calculation Agent's or the Trustee's (as applicable) fraud, negligence or wilful default) 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 (*Interest*).

7. Redemption and Purchase

(a) *Final Redemption*

Subject to Condition 6(a)(ii) (*Subordinated Notes*), 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 at their Redemption Price in accordance with the Priorities of Payments. Notes may not be redeemed other than in accordance with this Condition 7 (*Redemption and Purchase*).

Notwithstanding any other provisions of the Conditions or the Trust Deed, all references herein and therein to any 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 €1 principal amount of such Subordinated Notes remains Outstanding at all times and any amounts which are to be applied in redemption of such Notes pursuant hereto which are in excess of the Principal Amount Outstanding thereof minus €1 shall constitute excess distributions in respect of the Subordinated Notes and shall not be applied in redemption of the Principal Amount Outstanding thereof, *provided always however that* such €1 shall no longer remain outstanding and such Subordinated Notes shall be redeemed in full on the date on which all of the Collateral securing the Notes has been realised and is to be finally distributed to the Noteholders.

(b) *Optional Redemption*

(i) *Optional Redemption in Whole – Subordinated Noteholders*

Subject to the provisions of (1) Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and (2) Condition 7(b)(v) (*Optional Redemption Effected in Whole or in Part through Refinancing*) or Condition 7(b)(vi) (*Redemption Effected through Liquidation Only*), the Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices:

(A) on any Business Day falling on or after expiry of the Non-Call Period at the option of the holders of the Subordinated Notes acting by way of Ordinary Resolution (as evidenced by duly completed Redemption Notices); or

(B) upon the occurrence of a Collateral Tax Event, on any Business Day 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 – Collateral Manager/Subordinated Noteholders*

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 may be redeemed in part by the redemption in whole of one or more Classes of Notes by the Issuer, at the applicable Redemption Prices, solely from Refinancing Proceeds and Partial Redemption Interest Proceeds (in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below) on any Business Day falling on or after expiry of the Non-Call Period if (i) the Collateral Manager proposes to the Subordinated Noteholders at least 30 days prior to the Redemption Date to redeem such Class of Rated Notes, subject to the Subordinated Noteholders (acting by way of Ordinary Resolution) approving such proposal or (ii) the Subordinated Noteholders (acting by way of Ordinary Resolution) direct the Issuer to redeem such Class of Rated Notes. No such Optional Redemption may occur unless the Rated Notes to be redeemed represent the entire Class of such Rated Notes.

(iii) *Optional Redemption in Whole – Clean-up Call*

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(vi) (*Redemption Effected through Liquidation Only*), the Notes may be redeemed in whole but not in part by the Issuer if directed in writing by the Collateral Manager, at the applicable Redemption Prices, on any Business Day falling on or after expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period, the Collateral Principal Amount is less than 15 per cent. of the Target Par Amount.

(iv) *Terms and Conditions of an Optional Redemption*

In connection with any Optional Redemption:

(A) the Issuer shall procure that at least 30 days' prior written notice of such Optional Redemption (but stating that such redemption is subject to satisfaction of the conditions set out in this Condition 7(b) (*Optional Redemption*)), including the applicable Redemption Date and the relevant Redemption Price of the Rated Notes 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 Collateral Manager no later than 30 days prior to the relevant Redemption Date;

(C) the Collateral 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)(vii) (*Mechanics of Redemption*); and

(E) any redemption in part of the Notes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*) must 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 Principal Paying Agent of receipt of, a direction in writing from the Subordinated Noteholders acting by way of Ordinary Resolution to exercise any right of optional redemption pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*) or Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*), the Issuer may:

(A) in the case of a redemption in whole of all Classes of Rated Notes only, enter into a loan (as borrower thereunder) with one or more financial institutions (qualifying as (i) "professional market parties" (*professionele marktpartijen*) ("**PMPs**") within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (the "**Dutch FSA**") and (ii) to the extent that PMPs are deemed to qualify as the "public"

(within the meaning of article 4(1) of the CRR and the rules promulgated thereunder, as amended, or any subsequent replacement of such regulation), a person that would not cause the Issuer to receive any repayable funds (*opvorderbare gelden*) from the "public" (as defined in Directive 2003/71/EC, as amended from time to time); or

(B) in the case of a redemption in part by the redemption in whole of one or more Classes of Rated Notes, issue replacement notes,

(each, a "**Refinancing Obligation**") whose terms in each case will be negotiated by the Collateral 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 Subordinated Noteholders acting by way of 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*). In addition, Refinancing Proceeds may be applied in the redemption of the Rated Notes in part by the redemption in whole of one or more Classes of Notes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*).

(A) Refinancing in relation to a Redemption in Whole

In the case of a Refinancing in relation to the redemption of the Rated Notes in whole but not in part pursuant to Condition 7(b)(i) (*Optional Redemption in Whole– Subordinated Noteholders*) as described above, such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to the Rating Agencies and each Hedge Counterparty;

(2) all Principal Proceeds, all Refinancing Proceeds, all Sale Proceeds, if any, from the sale of Collateral Obligations, Eligible Investments, Exchanged Equity Securities and Collateral Enhancement Obligations 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 Payments (subject to any election to receive less than 100 per cent. of the 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;

(5) all Refinancing Proceeds, all Principal Proceeds and all Sale Proceeds, if any, from the sale of Collateral Obligations and Eligible Investments are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date; and

(6) any issuance of replacement notes would not result in non-compliance with the EU Retention Requirements or the U.S. Risk Retention Rules,

in each case, as confirmed to the Issuer and the Trustee by the Collateral Manager.

(B) 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 the redemption in whole of one or more Classes of Notes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*), such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to the Rating Agencies and each Hedge Counterparty;

(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 Partial Redemption Interest Proceeds 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 without reference to the Senior Expenses Cap;

(5) the Refinancing Proceeds are used (to the extent necessary) to make such redemption;

(6) the Refinancing Proceeds and the Partial Redemption Interest Proceeds are applied in accordance with the Partial Redemption Priority of Payments;

(7) 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;

(8) if the Partial Redemption Date is not otherwise a Payment Date, the Collateral Manager reasonably determines that Interest Proceeds will be available on the next following Payment Date in an amount at least equal to the sum of:

(a) the amount that will be required for distribution under the Interest Proceeds Priority of Payments for the payment of Trustee Fees and Expenses and Administrative Expenses on the next following Payment Date; and

(b) the amount required for distribution under the Interest Proceeds Priority of Payments as accrued and unpaid Interest on the Rated Notes;

(9) the aggregate principal amount of the Refinancing Obligations for each Class is equal to the aggregate Principal Amount Outstanding of such Class of Notes being redeemed with the Refinancing Proceeds;

(10) 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;

(11) the interest rate of any Refinancing Obligations will not be greater than the interest rate of the Rated Notes subject to such Optional Redemption (taking into account any discount on issuance);

(12) payments in respect of the Refinancing Obligations are subject to the Priorities of Payments and rank at the same priority pursuant to the Priorities of Payments as the relevant Class or Classes of Rated Notes being redeemed;

(13) the voting rights, consent rights, redemption rights (other than any modification to remove the right of the Subordinated Noteholder or any other party to direct the Issuer to redeem by refinancing such Refinancing Obligations) and all other rights of the Refinancing Obligations are the same as the rights of the corresponding Class of Rated Notes being redeemed;

(14) all Refinancing Proceeds and Partial Redemption Interest Proceeds are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date; and

(15) any issuance of replacement notes would not result in non-compliance with the EU Retention Requirements or the U.S. Risk Retention Rules,

in each case, as confirmed to the Issuer and the Trustee by the Collateral Manager (upon which confirmation the Trustee shall rely absolutely and without further enquiry or liability).

If, in relation to a proposed optional redemption of the Notes (in whole or in part, as applicable) any of the relevant conditions specified in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) are not satisfied, the Issuer shall cancel the relevant redemption of the Notes and shall give notice of such cancellation to the Trustee, the Collateral Manager and the Noteholders in accordance with Condition 16 (*Notices*).

None of the Issuer, the Collateral Manager, the Collateral Administrator or the Trustee shall be liable to any party, including the Subordinated Noteholders, for any failure to obtain a Refinancing.

(C) Consequential Amendments

Following a Refinancing, the Trustee shall agree to the modification of the Trust Deed and the other Transaction Documents to the extent that the Issuer certifies (upon which certification the Trustee shall rely absolutely and without further enquiry or liability) it is necessary to reflect the terms of the Refinancing (including any modification to remove the rights of the Subordinated Noteholders or any other party to direct the Issuer to redeem the Refinancing Obligations issued in respect thereof by way of a further Refinancing), subject as provided below. 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 opinion, 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 rights, indemnities or protections, of the Trustee in respect of any of the Transaction Documents, and the Trustee will be entitled to conclusively rely upon an officer's certificate 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 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).

(vi) *Redemption Effected through Liquidation Only*

Following receipt of notice from the Issuer or, as the case may be, of confirmation from the Principal Paying Agent of a direction in writing from (i) the Subordinated Noteholders acting by way of Ordinary Resolution (in respect of a redemption pursuant to this Condition 7(b) (*Optional Redemption*)) or acting by way of Extraordinary Resolution (in respect of a redemption pursuant to Condition 7(g) (*Redemption Following Note Tax Event*)) or (ii) the Controlling Class (acting by way of Extraordinary Resolution), 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*) (as applicable) 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 17 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 20 Business Days prior to the scheduled Redemption Date, calculate the Redemption Threshold Amount in consultation with the Collateral Manager. The Collateral Manager or any of its Affiliates will be permitted to purchase Collateral Obligations in the Portfolio where the Noteholders exercise their right of early redemption pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption Following Note Tax Event*) (as applicable).

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 (or such shorter period as agreed between the Collateral Manager and the Collateral Administrator and no consent for such shorter period shall be required from the Trustee) the Collateral Manager has furnished to the Trustee a certificate (upon which certificate the Trustee may rely absolutely) signed by an officer of the Collateral Manager that the Collateral Manager on behalf of the Issuer has entered into a binding agreement or agreements with a financial or other institution or institutions (which (A) either (x) has a long-term senior unsecured credit rating of at least "A2" by Moody's or, if it does not have a Moody's long-term senior unsecured credit rating, a short-term senior unsecured rating of at least "P-1" by Moody's, or (y) in respect of which a Rating Agency Confirmation from Moody's has been obtained (provided, for the purposes of this clause (y), that a Rating Agency Confirmation cannot be deemed to not be required in these circumstances and must be provided as a positive confirmation)) and (B) either (x) has a long-term issuer credit rating of at least "A" by Fitch or, if it does not have a long-term issuer credit rating by Fitch, a short-term issuer credit rating of "F1" by Fitch, or (y) in respect of which a Rating Agency Confirmation from Fitch has been obtained to purchase (directly or by participation or other arrangement) from the Issuer, not later than two Business Days prior to the scheduled Redemption Date (or such shorter period as agreed between the Collateral Manager and the Trustee) in immediately available funds, all or part of the Portfolio at a purchase price at least sufficient, together with the Eligible Investments maturing, redeemable or putable to the issuer thereof at par on or prior to the scheduled Redemption Date and (without duplication) the amounts standing to the credit of the Accounts which would be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for redemption in full to meet the Redemption Threshold Amount;

(B) at least two Business Days before the scheduled Redemption Date (or such shorter period as agreed between the Collateral Manager and the Trustee), the Issuer has received proceeds of disposition of all or part of the Portfolio at least sufficient, together with the Eligible Investments maturing, redeemable or putable to the issuer thereof at par on or prior to the scheduled Redemption Date and (without duplication) amounts standing to the credit of the Accounts which would be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for redemption in full, to meet the Redemption Threshold Amount, *provided that*, if the Issuer has received funds from a purchaser of one or more Collateral Obligations (in whole or in part), but such Collateral Obligations have not yet been disposed of by transfer of legal title, such funds will be included within the calculation of whether the Redemption Threshold Amount has been met; and

(C) prior to selling any Collateral Obligations and/or Eligible Investments, the Collateral Manager confirms in writing to the Trustee that, in its judgement, the aggregate sum of (A) expected proceeds from the sale or maturing of Eligible Investments, (B) for each Collateral Obligation, the product of its Principal Balance and its Market Value and (C) (without duplication) amounts standing to the credit of the Accounts which would be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for redemption in full, shall exceed the Redemption Threshold Amount.

The Collateral Manager shall notify the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and the Principal Paying Agent in writing upon satisfaction of the conditions set out in paragraphs (A) through (C) of this Condition 7(b)(vi) (*Redemption Effected through Liquidation Only*) (including where such conditions have been satisfied in connection with a redemption pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption Following Note Tax Event*)).

Any certification delivered by the Collateral Manager pursuant to this Condition 7(b)(vi) (*Redemption Effected through Liquidation Only*) must include (1) the prices on the date of such certification of, and expected proceeds from, the sale (directly or by participation or other arrangement) or redemption of any Collateral Obligations and/or Eligible Investments, (2) amounts standing to the credit of the Accounts which would be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for redemption in full and (3) all calculations required by this Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption Following Note Tax Event*). Any Noteholder, the Collateral Manager or any of the Collateral Manager's Affiliates shall have the right, subject to the same terms and conditions afforded to other bidders, to bid on Collateral Obligations to be sold as part of an Optional Redemption pursuant to this Condition 7(b)(vi) (*Redemption Effected through Liquidation Only*).

The Trustee shall rely conclusively and without further enquiry or liability on any confirmation or certificate of the Collateral Manager furnished by it pursuant to or in connection with this Condition 7(b)(vi) (*Redemption Effected through Liquidation Only*).

If any of the conditions (A) to (C) above are not satisfied, the Issuer shall cancel the redemption of the Notes and shall give notice of such cancellation to the Trustee, the Collateral Manager and the Noteholders in accordance with Condition 16 (*Notices*).

(vii) *Mechanics of Redemption*

Following calculation by the Collateral Administrator with the assistance of the Collateral Manager 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 Collateral Management and Administration Agreement and shall notify the Issuer, the Trustee, the Collateral Manager and the Principal Paying Agent.

Any exercise of a right of Optional Redemption by the Subordinated Noteholders pursuant to this Condition 7(b) (*Optional Redemption*) or the Controlling Class or the Subordinated Noteholders pursuant to Condition 7(g) (*Redemption Following Note Tax Event*) shall be effected by delivery to the Principal Paying Agent, by the requisite amount of Subordinated Noteholders or, as applicable, the requisite amount of holders of the Controlling Class, of duly completed Redemption Notices not less than 30 days prior to the proposed Redemption Date. No Redemption Notice so delivered or any direction given by the Collateral Manager may be withdrawn without the prior consent of the Issuer. The Registrar shall copy each Redemption Notice or any direction given by the Collateral Manager received to each of the Issuer, the Trustee, the Collateral Administrator, the Hedge Counterparties and the Collateral Manager.

The Collateral Manager shall notify the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and the Principal Paying Agent upon satisfaction of all of the conditions set out in this Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption Following Note Tax Event*) and shall use commercially reasonable endeavours to 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 Collateral Management and 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*) and/or Condition 7(g) (*Redemption following Note Tax Event*) (as applicable) in the Payment Account on or before the Business Day prior to the applicable Redemption Date or, in the case of a Refinancing, on or prior to the applicable Redemption Date. Principal Proceeds and Interest Proceeds received in connection with a redemption in whole of the Rated Notes shall be payable in accordance with the Post-Acceleration Priority of Payments. In the case of any redemption in part of the Rated Notes by the redemption in whole of one or more Classes of Notes the relevant Refinancing Proceeds shall be paid to the Noteholders of such Class or Classes of Notes subject to payment of amounts in priority in accordance with the Priorities of Payments.

(viii) *Optional Redemption of Subordinated Notes*

The Subordinated Notes may be redeemed at their Redemption Price, in whole but not in part, on any Business Day on or after the redemption or repayment in full of the Rated Notes, at the direction of either the Collateral Manager or the Subordinated Noteholders (acting by way of Ordinary Resolution).

(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 or 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 Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated immediately 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 or 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 Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated immediately 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 or 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 Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated immediately 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 or 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 Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated immediately 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 Payments (including payment of all prior ranking amounts) until the Class F Par Value Test is satisfied if recalculated immediately following such redemption.

(d) *Special Redemption*

Principal payments on the Notes shall be made in accordance with the Principal Priority of Payments at the discretion of the Collateral Manager (acting on behalf of the Issuer) if, at any time during the Reinvestment Period, the Collateral Manager (acting on behalf of the Issuer) certifies (upon which certification the Trustee may rely without further enquiry or liability) to the Trustee that, using commercially reasonable endeavours, it has been unable, for a period of 30 consecutive Business Days, to identify Substitute Collateral Obligations that are deemed appropriate by the Collateral Manager in its sole discretion which meet the Eligibility Criteria and, 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 Substitute Collateral 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 commercially reasonable endeavours, cannot be reinvested in Substitute Collateral Obligations by the Collateral Manager (a "**Special Redemption Amount**") will be applied in accordance with paragraph (P) of the Principal 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 affected thereby 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 Collateral Manager (acting on behalf of the Issuer) and the Collateral 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*

In the event that as at the sixth Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, Interest Proceeds and thereafter Principal Proceeds shall be applied in the redemption of the Rated Notes on such Payment Date and thereafter on each Payment Date (to the extent required) in accordance with and subject to the Priorities of Payments, 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 Payments.

(g) *Redemption Following Note Tax Event*

Upon the occurrence of a Note Tax Event, the Issuer shall, subject to and in accordance with the terms of the Trust Deed, use all reasonable efforts to take such steps which, at such time, would prevent the continuation of such Note Tax Event (including by changing the Paying Agents, the listing of the Notes, the branch or permanent establishment out of which it acts or its residence for tax purposes). The Issuer shall not be required to take any such steps which would be materially prejudicial to it, and, where alternative steps are available to it, the Issuer must take those steps which would be least burdensome to it. Upon the earlier of (a) the date upon which the Issuer certifies (upon which certification the Trustee may rely without further enquiry or liability) to the Trustee that it is not able to effect such steps and (b) the date which is 90 days from the date upon which the Issuer first becomes aware of such Note Tax Event (*provided that* such 90 day period shall be extended by a further 90 days in the event that during the former period the Issuer has notified (or procured the notification of) the Trustee and the Noteholders (in accordance with Condition 16 (*Notices*)) that, based on advice received by it, it expects that it shall have cured the Note Tax Event by the end of the latter 90 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)(vi) (*Redemption Effected through Liquidation Only*).

(h) *Redemption*

Unless otherwise specified in this Condition 7 (*Redemption and Purchase*), all Notes in respect of which any notice of redemption is given shall be redeemed on the Redemption Date at their applicable Redemption Prices and to the extent specified in such notice and in accordance with the requirements of this Condition 7 (*Redemption and Purchase*) and in accordance with the Priorities of Payments.

(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.

In respect of Notes represented by a Global Certificate, cancellation of any Note required by the Conditions to be cancelled will be effected by reduction in the principal amount of the Notes on the Register, with a corresponding notation made on the applicable Global Certificate.

(j) *Notice of Redemption*

The Issuer shall procure that notice of any redemption in accordance with this Condition 7 (*Redemption and Purchase*) (which notice shall be irrevocable) is given to the Trustee and Noteholders in accordance with Condition 16 (*Notices*) and promptly in writing to the Rating Agencies.

(k) *Purchase*

On any Payment Date during the Reinvestment Period, the Issuer may, whether at the discretion of the Collateral Manager, or otherwise, in accordance with and subject to the terms of the Collateral Management and Administration Agreement, 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 proceeds from the issuance of additional Subordinated Notes and other amounts standing to the credit of the Supplemental Reserve Account, any Deferred Senior Collateral Management Amounts or Deferred Subordinated Collateral Management Amounts.

No purchase of Rated Notes by the Issuer may occur (other than pursuant to Condition 2(h) (*Forced Transfer of Rule 144A Notes*), Condition 2(i) (*Forced Transfer pursuant to ERISA*) or Condition 2(j) (*Forced Transfer pursuant to FATCA*)) unless each of the following conditions is satisfied:

(i) such purchase of Rated Notes shall occur in the following sequential order of priority: *first*, the Class A Notes (on a pari passu basis), until the Class A Notes are purchased or redeemed in full and cancelled; *second*, the Class B Notes, until the Class B Notes are purchased or redeemed in full and cancelled; *third*, the Class C Notes, until the Class C Notes are purchased or redeemed in full and cancelled; *fourth*, the Class D Notes, until the Class D Notes are purchased or redeemed in full and cancelled; *fifth*, the Class E Notes, until the Class E Notes are purchased or redeemed in full and cancelled; and *sixth*, the Class F Notes, until the Class F Notes are purchased or redeemed in full and cancelled;

(ii) each such purchase of Rated Notes of any Class shall be made pursuant to an offer made to all holders of the Rated Notes of such Class, by notice to such holders, which notice shall specify the purchase price (as a percentage of par) at which such purchase will be effected, the maximum amount of Principal Proceeds and Supplemental Reserve Amounts that will be used to effect such purchase and the length of the period during which such offer will be open for acceptance, *provided that*:

(A) subject to compliance with all applicable laws, 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

(B) 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;

(iii) each such purchase shall be effected only at prices discounted from the Principal Amount Outstanding of the relevant Notes;

(iv) if Sale Proceeds are used to consummate any such purchase, 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;

(v) no Event of Default shall have occurred and be continuing;

(vi) any Rated Notes to be purchased shall be surrendered to the Registrar for cancellation and may not be reissued or resold;

(vii) each Rating Agency is notified of such purchase; and

(viii) each such purchase will otherwise be conducted in accordance with applicable law (including the laws of The Netherlands).

Upon instruction by the Issuer, the Registrar shall cancel any such purchased Rated Notes surrendered to it for cancellation. The cancellation (and/or decrease, as applicable) of any such surrendered 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 by wire transfer. Payments of interest on each Note and, prior to redemption in full thereof, principal in respect of each Note, will be made by wire transfer. Upon application of the holder to the specified office of the Principal Paying Agent not less than five Business Days before the due date for any payment in respect of a Note, the payment may be made (in the case of any final payment of principal against presentation and surrender (or, in the case of part payment only of such final payment, endorsement) of such Note as provided above) by wire transfer, in immediately available funds, on the due date to a Euro account maintained by the payee with a bank in Western Europe.

Payments of principal and interest in respect of Notes represented by a Global Certificate will be made to the registered holder as shall have been notified to the relevant Noteholders (in accordance with Condition 16 (*Notices*)) for such purpose 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 the Transfer Agent. On each occasion on which a payment of interest (unless the Notes represented thereby do not bear interest) or principal is made in respect of the relevant Global Certificate, the Registrar shall note the same in the Register and cause the aggregate principal amount of the Notes represented by a Global Certificate to be decreased accordingly.

(b) *Payments*

All payments are subject in all cases to (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 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 Agent*

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 the Transfer Agent and appoint additional or other Agents, *provided that* it will maintain a Principal Paying Agent as approved in writing by the Trustee and shall procure that it shall at all times maintain a Custodian, Account Bank, Collateral Manager and Collateral Administrator. Notice of any change in any Agent or their specified offices or in the Collateral Manager or Collateral Administrator will promptly be given to the Noteholders by the Issuer in accordance with Condition 16 (*Notices*).

9. Taxation

(a) *General*

All payments of principal and interest in respect of the Notes by or on behalf of the Issuer 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 the United States, 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 (including, but not limited to, interest and/or principal repayments) 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 taxing authority or in connection with FATCA. Any withholding or deduction shall not constitute an Event of Default under Condition 10(a) (*Events of Default*).

Payments will be subject in all other cases to any other fiscal or other laws and regulations applicable thereto in any jurisdiction and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws or regulations.

(b) *FATCA Withholding*

Payments in respect of the Notes are subject in all cases to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof or any law implementing an intergovernmental agreement thereto. Any such amounts withheld or deducted will be treated as paid for all purposes under the Notes, and no additional amounts will be paid by the Issuer or any other party with respect to any such withholding or deduction.

(c) *Substitution*

Subject as provided below, if the Issuer certifies (upon which certification the Trustee may rely without further enquiry or liability) to the Trustee that it has or will on the occasion of the next payment due in respect of the Notes of any Class become obliged 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, *provided that* the Trustee's approval shall be subject to confirmation of tax counsel that such a substitution and/or change in tax residence would be effective in eliminating the imposition of such tax.

Notwithstanding the above, if any taxes referred to in this Condition 9 (*Taxation*) arise:

(i) 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;

(ii) 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 taxing authority;

(iii) 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 Transfer Agent in an EU member state of the European Union;

(iv) in connection with FATCA; or

(v) any combination of the preceding clauses (i) through (iv) 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 the Class A Notes or the Class B Notes when the same becomes due and payable and, in each case, the failure to pay such interest continues for a period of at least five Business Days, *provided that*, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least seven Business Days after the Issuer, the Collateral Administrator and the Principal Paying Agent receive written notice of, or have actual knowledge of, such administrative error or omission and *provided further that* the failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with these Conditions or in the case of an Optional Redemption with respect to which a Refinancing fails will not constitute an Event of Default;

(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 any Redemption Date and, in each case, the failure to pay such principal continues for a period of at least five Business Days, *provided that*, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least seven Business Days after the Collateral Administrator or the Principal Paying Agent receives written notice of, or has actual knowledge of, such administrative error or omission and *provided further that* the failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions or in the case of an Optional Redemption with respect to which a Refinancing fails will not constitute an Event of Default;

(iii) *Default under Priorities of Payments*

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 Payments and continuation of such failure for a period of five Business Days or, in the case of a failure to disburse due to an administrative error or omission or another non-credit-related

reason (as determined by the Collateral Manager acting in a commercially reasonable manner and certified in writing to the Trustee (upon which certification the Trustee may rely absolutely and without further enquiry or liability), but without liability as to such determination) by the Issuer or the Collateral Administrator, as the case may be, such failure continues for seven Business Days after the Issuer and the Collateral Administrator receive written notice of, or have actual knowledge of, such administrative error or omission;

(iv) *Collateral Obligations*

on any Measurement Date after the Effective Date, failure of the percentage equivalent of a fraction, (i) the numerator of which is equal to (1) the Collateral Principal Amount plus (2) the aggregate in respect of each Defaulted Obligation of its Market Value multiplied by its Principal Balance on such date and (ii) 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 in a material respect of any material covenant of, the Issuer under the Trust Deed and/or these Conditions (*provided that* any failure to meet any Portfolio Profile Test, Collateral Quality Test, Coverage Test or Reinvestment Par Value 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 either case to the extent provided in paragraph (iv) above) or the failure of any material representation, warranty, undertaking or other agreement of the Issuer made in the Trust Deed and/or these Conditions or in any certificate or other writing delivered pursuant thereto or in connection therewith to be correct in each case in all material respects when the same shall have been made, and the continuation of such default, breach or failure for a period of 30 days after the earlier of (a) the Issuer having actual knowledge of such default, breach or failure or (b) notice being given to the Issuer, the Hedge Counterparties and the Collateral Manager by registered or certified mail or courier from the Trustee, the Issuer or the Collateral Manager, or to the Issuer and the Collateral Manager from the Controlling Class acting pursuant to an Ordinary Resolution, in each case copied to the Trustee (as applicable), 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 Collateral Manager in writing) has commenced curing such default, breach or failure during the 30 day period specified above, such default, breach or failure shall not constitute an Event of Default under this paragraph (v) unless it continues for a period of 45 days (rather than, and not in addition to, such 30 day period specified above) after the earlier of the Issuer having actual knowledge thereof or notice thereof in accordance herewith. For the purpose of this paragraph (v), the materiality of such default, breach, 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 or other similar insolvency official (a "**Receiver**") is appointed in relation to such proceedings and 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 30 days, or the Issuer is subject to, or initiates or consents to judicial proceedings relating to itself under any applicable Insolvency Law, or seeks the appointment of a Receiver, or makes a conveyance or assignment for the benefit of its creditors generally or otherwise becomes subject to any reorganisation or amalgamation (other than on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Controlling Class);

(vii) *Illegality*

it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes; or

(viii) *Investment Company Act*

the Issuer or any of the Collateral becomes required to register as an "**Investment Company**" under the Investment Company Act and such requirement continues for 45 days.

(b) *Acceleration*

If an Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by way of Extraordinary Resolution, (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction 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, the Hedge Counterparties, the Rating Agencies and the Collateral Manager that all the Notes are immediately due and repayable (such notice, an "**Acceleration Notice**"), whereupon the Notes shall become immediately due and repayable at their applicable Redemption Prices, *provided that* upon the occurrence of an Event of Default described in paragraph (vi) of the definition thereof, an Acceleration Notice shall be deemed to have been given and all the Notes shall automatically become immediately due and repayable at their applicable Redemption Prices.

(c) *Curing of Event of Default*

At any time after an Acceleration Notice (whether deemed or otherwise) has been given pursuant to Condition 10(b) (*Acceleration*) and prior to enforcement of the security pursuant to Condition 11 (*Enforcement*), the Trustee, subject to receipt of consent in writing 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 Acceleration Notice under paragraph (b) 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 and Trustee Fees and Expenses; and

(D) all amounts due and payable by the Issuer under any Currency Hedge Agreement or Interest Rate Hedge Agreement; 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.

Any previous rescission and annulment of an Acceleration Notice 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 or if the Notes are automatically accelerated in accordance with paragraph (b) above.

(d) *Restriction on Acceleration*

No direction to accelerate of the Notes shall be permitted 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 Collateral 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 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 shall become enforceable upon an acceleration of the maturity of the Notes pursuant to Condition 10(b) (*Acceleration*).

(b) *Enforcement*

At any time after the Notes become due and repayable and the security under the Trust Deed becomes enforceable, the Trustee may, at its discretion (but subject always to Condition 4(c) (*Limited Recourse and Non-Petition*)), and shall, if so directed by the Controlling Class acting by Extraordinary Resolution (subject, in each case, as provided in paragraph (ii) of this Condition 11(b) (*Enforcement*)), institute such proceedings or take such other action against the Issuer or take any other action as it may think fit to enforce the terms of the Trust Deed and the Notes and pursuant and subject to the terms of the Trust Deed and the Notes, realise and/or otherwise liquidate or sell the Collateral in whole or in part and/or take such other action as may be permitted under applicable laws against any Obligor in respect of the Collateral and/or take any other action to enforce or realise the security over the Collateral in accordance with the Trust Deed (such actions together, "**Enforcement Actions**"), in each case without any liability as to the consequences 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 the individual Noteholders of any Class or any other Secured Party, *provided however that*:

(i) no such Enforcement Action may be taken by the Trustee unless:

(A) subject to being indemnified and/or secured and/or prefunded to its satisfaction, the Trustee (or an agent or Appointee on its behalf) determines that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in priority to the Subordinated Notes pursuant to the Post-Acceleration Priority of Payments (such amount, the "**Enforcement Threshold**" and such determination, an "**Enforcement Threshold Determination**") and the Controlling Class agrees with such determination by an Ordinary Resolution, subject to consultation by the Trustee with the Collateral Manager (in which case the Enforcement Threshold will be met); or

(B) if the Enforcement Threshold will not have been met then:

(1) in the case of an Event of Default specified in sub-paragraph (i), (ii), (iv) and (vi) of Condition 10(a) (*Events of Default*), the Controlling Class directs the

Trustee by Extraordinary Resolution 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 Noteholders of each Class of Rated Notes acting by Extraordinary Resolution separately by Class direct the Trustee to take Enforcement Action.

(ii) subject as provided above, 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 acting by Extraordinary Resolution and, in the case of Condition 11(b)(i)(B)(2) (*Enforcement*), each Class of Rated Notes, acting by Extraordinary 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; and

(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).

The Trustee shall notify the Noteholders, the Issuer, the Agents, the Collateral Manager, the Hedge Counterparties and the Rating Agencies in the event that it makes an Enforcement Threshold Determination at any time or takes any Enforcement Action at any time (such notice an "**Enforcement Notice**"). Following the effectiveness of an Acceleration Notice which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Event of Default*) or, as the case may be, following automatic acceleration of the Notes or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or 7(g) (*Redemption Following Note Tax Event*), all Interest Proceeds, Principal Proceeds, Refinancing Proceeds and the net proceeds of enforcement of the security over the Collateral (other than with respect to any Counterparty Downgrade Collateral or amounts standing to the credit of the Interest Account which represent Hedge Issuer Tax Credit Payments which are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payments in accordance with the Hedge Agreement and/or Condition 3(k)(v) (*Counterparty Downgrade Collateral Accounts*)), all moneys received by the Trustee under the Trust Deed upon any enforcement of the security constituted thereby and any amounts standing to the credit of the Interest Account which represent Tax Credits (which are required to be paid or returned to an Obligor under a Collateral Obligation outside the Priorities of Payments in accordance with the relevant Underlying Instruments) 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 then owed by the Issuer accrued (other than Dutch corporate income tax in relation to the amounts equal to the Issuer Profit Amount referred to below), as certified by an Authorised Officer of the Issuer to the Trustee, if any, (save for any value added tax, deduction or withholding for or on account of any tax or any other tax payable in respect of any Collateral Management Fee or any amount payable to the Secured Parties), and to the payment of the Issuer Profit Amount, 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 the occurrence of an Event of Default the Senior Expenses Cap shall not apply in respect of such Trustee Fees and Expenses;

(C) to the payment of Administrative Expenses in the priority stated in the definition thereof up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to paragraph (B) above, *provided that* upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) the Senior Expenses Cap shall not apply in respect of such Administrative Expenses;

(D) to the payment:

(1) *firstly*, on a *pro rata* basis to the Collateral Manager of the Senior Management Fee due and payable on such Payment Date save for any Deferred Senior Collateral Management Amounts; and

(2) *secondly*, to the Collateral Manager of any previously due and unpaid Senior Management Fees (other than Deferred Senior Collateral Management Amounts);

(E) to the payment, on a *pro rata* basis, of (i) any Scheduled Periodic Hedge Issuer Payments (to the extent not paid out of the Currency Account or the Interest Account), (ii) any Currency Hedge Issuer Termination Payments (to the extent not paid out of the Hedge Termination Account and other than Defaulted Currency Hedge Termination Payments), and (iii) any Interest Rate Hedge Issuer Termination Payments (to the extent not paid out of the Hedge Termination Account and other than Defaulted Interest Rate Hedge Termination Payments);

(F) to the payment on a *pro rata* and *pari passu* basis of all Interest Amounts due and payable on the Class A Notes;

(G) to the redemption on a *pro rata* and *pari passu* basis of the Class A Notes, until the Class A Notes have been redeemed in full;

(H) to the payment on a *pro rata* basis of all 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 (if any) not paid under paragraph (B) above by reason of the Senior Expenses Cap;

(W) to the payment of Administrative Expenses not paid under paragraph (C) above 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;

(X) to the payment:

(1) *firstly*, to the Collateral Manager of the Subordinated Management Fee due and payable on such Payment Date save for any Deferred Subordinated Collateral Management Amounts;

(2) *secondly*, to the Collateral Manager of any previously due and unpaid Subordinated Management Fee (other than Deferred Subordinated Collateral Management Amounts);

(3) *thirdly*, to the Collateral Manager in payment of any Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts, the deferral of which has been rescinded by the Collateral Manager; and

(4) *fourthly*, to the repayment of any Collateral Manager Advances and any interest thereon;

(Y) to the payment on a *pari passu* and *pro rata* basis of any Defaulted Currency Hedge Termination Payments due to any Currency Hedge Counterparty or Defaulted Interest Rate Hedge Termination Payment due to an Interest Rate Hedge Counterparty (in each case to the extent not paid out of the Hedge Termination Account or any relevant Counterparty Downgrade Collateral Account);

(Z) subject to the Incentive Collateral Management Fee IRR Threshold having been reached (after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such date, including pursuant to paragraph (BB) below) to the payment to the Collateral Manager of 20.0 per cent. of any remaining proceeds (after any payment required to satisfy the Incentive Collateral Management Fee IRR Threshold) in payment of an Incentive Collateral Management Fee;

(AA) to the payment of any value added taxes in respect of the Incentive Collateral Management Fee under paragraph (Z) above (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(BB) any remaining 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),

provided however that:

(i) notwithstanding the above, upon enforcement of the security pursuant to Condition 11 (*Enforcement*), no payments shall be made to any persons who are not Secured Parties; and

(ii) prior to enforcement of the security pursuant to Condition 11 (*Enforcement*):

(A) if the Issuer must account for any value added taxes attributable to any of the items referred to in the Post-Enforcement Priority of Payments (other than paragraph (A)) above, then such amounts in respect of value added taxes shall, except as otherwise provided in the Post-Acceleration Priorities of Payment, be paid *pro rata* and *pari passu* with such items; and

(B) where the payment of any amount in accordance with the Post-Enforcement Priority of Payments set out above is subject to any deduction or withholding for or on account of any tax or any other tax (other than value added 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 authorities *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 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 (other than the Trustee) 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 written notice of such failure and such failure or neglect continues for at least 30 days following receipt of such notice by the Trustee. Any proceeds received by a Noteholder or other Secured Party pursuant to any such proceedings brought by a Noteholder or other Secured Party shall be paid promptly following receipt thereof to the Trustee for application pursuant to the terms hereof. After realisation of the security which has become enforceable and distribution of the net proceeds in accordance with the Priorities of Payments, 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 or Collateral Manager*

Upon any sale of any part of the Collateral following the acceleration of the Notes under Condition 10(b) (*Acceleration*), whether made under the power of sale under the Trust Deed or by virtue of judicial proceedings, any Noteholder, the Collateral Manager or any of its Affiliates 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 Payments, had the purchase price been paid in cash, is equal to or exceeds such purchase price.

12. Prescription

Claims in respect of principal and interest payable on redemption in full of the relevant Notes while the Notes are represented by a Definitive Certificate will become void unless presentation for payment is made as required by Condition 7 (*Redemption and Purchase*) within a period of five years, in the case of interest, and ten years, in the case of principal, from the date on which payment is respect of such Notes is received by the Principal Paying Agent.

Notwithstanding the above, claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by a Global Certificate will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the date on which any payment first becomes due.

13. Replacement of Notes

If any Note is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the 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 or the Transfer Agent 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 (and for passing Written Resolutions and Electronic Resolutions) to consider matters affecting the interests of the Noteholders including, without limitation, modifying or waiving certain of the provisions of these Conditions and the substitution of the Issuer in certain circumstances. The provisions in this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) are descriptive of the detailed provisions of the Trust Deed.

(b) *Decisions and Meetings of Noteholders*

(i) *General*

Decisions may be taken by Noteholders by way of Ordinary Resolution, Extraordinary Resolution, Electronic Resolution or Written Resolution, in each case, either acting together (subject as provided in paragraph (ix) below) or, to the extent specified in any applicable Transaction Document or these Conditions, by 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 or by electronic consent, 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. Where decisions are required to be taken by a Written Resolution or Electronic Resolution of a Class or Classes under the Trust Deed or these Conditions, such decision may only be made in accordance with Condition 14(b)(iv) (*Written Resolution*) below or Condition 14(b)(v) (*Electronic Resolutions*) and the meeting provisions set out in the Trust Deed.

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.

Notice of any Resolution passed by the Noteholders will be given by the Issuer to Moody's and Fitch 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 66⅔ per cent. of the aggregate Principal Amount Outstanding of the Notes (or the Notes of 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 Note of 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 Notes of 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 Note of the relevant Class or Classes only, if applicable)

The Trust Deed does not contain any provision for higher quorums in any circumstances.

(iii) *Minimum Voting Rights*

Set out in the table "**Minimum Percentage Voting Requirements**" below are the minimum percentages required to pass the Resolutions specified in such table which, (A) in the event that such Resolution is being considered at a duly convened meeting of Noteholders, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes held or represented by any person or persons who vote in favour of such Resolution represents of the aggregate Principal Amount Outstanding of all applicable Notes which are represented at such meeting and are voted or, (B) in the case of any Written Resolution or Electronic 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 or Electronic 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 66⅔ 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) *Electronic Resolutions*

The Trust Deed provides that any Extraordinary Resolution or Ordinary Resolution may be passed by way of consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the relevant number of required Noteholders for such Extraordinary Resolution or Ordinary Resolution (as applicable).

(vi) *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).

(vii) *Extraordinary Resolution*

Subject to the right of veto of the Retention Holder referred to in Condition 14(b)(x) (*Retention Holder Veto*), 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 Collateral Management and Administration Agreement or the relevant Transaction Document, as applicable), excluding, for the avoidance of doubt, any modifications as may be contemplated or required to facilitate an Optional Redemption in whole or in part by way of a Refinancing and the relevant Refinancing Obligations and/or any other modifications as may be contemplated in connection with an Optional Redemption in whole or in part by way of Refinancing and the relevant Refinancing Obligations which, in each case, may be passed by an Ordinary Resolution:

(A) any modification of any Transaction Document having a material adverse effect on the security over the Collateral constituted by the Trust Deed;

(B) any item requiring approval by Extraordinary Resolution pursuant to these Conditions or any Transaction Document;

(C) 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;

(D) the modification of any provision relating to the timing and/or circumstances of the payment of interest or redemption of the Notes of the relevant Class at maturity or otherwise (including the circumstances in which the maturity of such Notes may be accelerated) (other than in the case of a Refinancing);

(E) the modification of any of the provisions of the Trust Deed which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note;

(F) 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*);

(G) a change in the currency of payment of the Notes of a Class;

(H) any change in the Priorities of Payments or of any payment items in the Priorities of Payments;

(I) the modification of the provisions concerning the quorum required at any meeting of Noteholders or the minimum percentage required to pass a Resolution; and

(J) any modification of this Condition 14(b)(vii) (*Extraordinary Resolution*),

each, a "**Basic Terms Modification**".

(viii) *Ordinary Resolution*

Subject to the right of veto of the Retention Holder referred to in Condition 14(b)(x) (*Retention Holder Veto*), any meeting of the Noteholders shall (in each case, subject to anything else specified in the Trust Deed, the Collateral Management and Administration Agreement or the relevant Transaction Document, as applicable) have power by Ordinary Resolution to approve any other matter relating to the Notes not referred to in Condition 14(b)(vii) (*Extraordinary Resolution*) above.

(ix) *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, Written Resolution or Electronic Resolution:

(a) subject to paragraphs (c) and (d) below, a Resolution which in the opinion of the Trustee affects only the Notes of a Class or Classes (the "**Affected Class(es)**"), but not another Class or Classes, as the case may be, shall be duly passed if passed at a meeting or meetings or by Written Resolution or Electronic Resolution of the holders of the Notes of the Affected Class(es) 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 only if passed at meetings or by Written Resolution or Electronic Resolution of the Noteholders of each Class;

(c) a Resolution passed by the Controlling Class to exercise any rights granted to them pursuant to the Conditions or any Transaction Document shall be duly passed if passed at a meeting or by Written Resolution or Electronic Resolution of the Controlling Class and such Resolution shall be binding on all the Noteholders; and

(d) a Resolution passed by the Subordinated Noteholders to exercise the rights granted to them pursuant to the Conditions or any Transaction Document shall be duly passed if passed at a meeting or by Written Resolution or Electronic Resolution of the Subordinated Noteholders and such resolution shall be binding on all of the Noteholders.

(x) *Retention Holder Veto*

No modification or any Resolution to approve the modification of the Eligibility Criteria, the Portfolio Profile Tests, the Collateral Quality Tests, the Reinvestment Criteria or any material changes to them, in each case that could affect the Retention Holder's ability to comply with the Retention Requirements (save for those that are made to ensure compliance with the

Retention Requirements) will be effective without the consent in writing of the Retention Holder.

(xi) *No Voting Rights*

Any Notes held by or on behalf of the Collateral Manager or any of its Affiliates:

(i) will have no voting rights with respect to any vote (or written direction or consent) in connection with:

(a) the removal of the Collateral Manager for "cause" pursuant to the Collateral Management and Administration Agreement;

(b) the appointment of a successor Collateral Manager following a removal for "cause"; or

(c) the assignment or delegation by the Collateral Manager of its obligations under the Collateral Management and Administration Agreement; and

(ii) will be deemed not to be Outstanding in connection with any such vote,

provided, however, that any Notes held by the Collateral Manager and/or its Affiliates will have voting rights (including in respect of written directions and consents) with respect to all other matters as to which Noteholders are entitled to vote. Immediately prior to any such vote (or written direction or consent) the Collateral Manager shall notify the Issuer and the Trustee of the aggregate outstanding principal amount of any Notes held by the Collateral Manager and each of its Affiliates at the time of such notification.

(c) *Modification and Waiver*

The Trust Deed and the Collateral Management and Administration Agreement both provide that, without the consent of the Noteholders (other than as otherwise provided in paragraphs (x), (xii), (xix)(B) and (xxxii) below) and subject to the right of veto of the Retention Holder referred to in Condition 14(b)(x) (*Retention Holder Veto*), the Issuer may amend, modify, supplement and/or waive the relevant provisions of the Trust Deed and/or the Collateral Management and Administration Agreement and/or any other Transaction Document (subject in each case to the consent of the other parties thereto) (as applicable) and the Trustee shall consent to (without the consent of the Noteholders, subject as provided below) such amendment, supplement, modification or waiver (other than in the case of an amendment, modification, supplement or waiver pursuant to paragraphs (xi), (xiii) or (xxii) below, which shall be subject to the prior written consent of the Trustee in accordance with the relevant paragraph), for any of the following purposes:

(i) to add to the covenants of the Issuer for the benefit of the Noteholders;

(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 Main Securities Market of the Irish Stock Exchange or any other exchange and to authorise the appointment of any listing agent, transfer agent, paying agent or additional registrar for any Class of Notes required or advisable in connection with the listing of such Notes, and otherwise to amend the Trust Deed to incorporate any changes required or requested by any governmental authority, stock exchange authority, listing agent, transfer agent, paying agent or additional registrar for any Class of Notes in connection therewith;

(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 Collateral Manager and subject to receipt of Rating Agency Confirmation;

(vii) save as contemplated in paragraph (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 or France for UK or French tax purposes, as trading in the UK or France for UK or French tax purposes or as subject to UK or French value added tax in respect of any Collateral Management Fees;

(ix) to take any action advisable to prevent the Issuer from being treated as engaged in a United States trade or business or otherwise be subject to United States federal, state or local income tax on a net income basis;

(x) to enter into any additional agreements not expressly prohibited by the Trust Deed or the Collateral Management and Administration Agreement (as applicable), *provided that* (x) any such additional agreements include customary limited recourse and non-petition provisions and (y) the consent of the Controlling Class and the Subordinated Noteholders in each case acting by Ordinary Resolution has been obtained;

(xi) to make any other modification of any of the provisions of any 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) without prejudice to paragraph (xvi) below, subject to Rating Agency confirmation and the consent of the Controlling Class acting by Ordinary Resolution, to make any modification 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);

(xiii) to make any other modification (save as otherwise provided in the Trust Deed, the Collateral Management and 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;

(xiv) to amend the name of the Issuer;

(xv) to make any amendments to the Trust Deed or any other Transaction Document to enable the Issuer to comply with EMIR, the AIFMD, the CRA Regulation, the Securitisation Regulation, the Dodd-Frank Act (in each case, including any implementing regulation, technical standards and guidance related thereto), CRS or FATCA (or any voluntary agreement entered into with a taxation authority pursuant thereto), or to ensure the Issuer is not characterised as a "covered fund" for the purposes of the Volcker Rule, subject to receipt by the Trustee of a certificate of the Issuer (upon which certificate the Trustee may rely absolutely and without further enquiry or liability) certifying to the Trustee that the relevant amendments are to be made solely for the purpose of enabling the Issuer, the Collateral Manager and/or the relevant

Hedge Counterparty (as applicable) to satisfy its requirements under EMIR, the AIFMD, the CRA Regulation, the Securitisation Regulation, Dodd-Frank, CRS or FATCA (as applicable);

(xvi) to modify, amend or complete any components of the Fitch Test Matrix or the Moody's Test Matrix, subject to receipt of Rating Agency Confirmation (or such other confirmation as the relevant Rating Agency is willing to provide from time to time that such modifications or amendments will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency) from Fitch or Moody's, as applicable;

(xvii) to make any changes necessary (x) to reflect any additional issuances of Notes in accordance with Condition 17 (*Additional Issuances*) or (y) to issue any replacement notes in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(v)(C) (*Consequential Amendments*);

(xviii) to modify the Transaction Documents in order to comply with Rule 17g-5 of the Exchange Act;

(xix) without prejudice to the ability to modify, amend or complete the Fitch Test Matrix and the Moody's Test Matrix in accordance with paragraph (xvi) above, 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 Collateral Manager certifies to the Trustee (upon which certificate the Trustee shall rely absolutely and without further enquiry or liability) would not materially prejudice the interests of the Noteholders of the Notes of any Class, subject to:

(A) 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 absolutely and without further enquiry or liability); and

(B) the Issuer notifying the Noteholders in accordance with the Conditions not less than 40 calendar days prior to making any such modification and such modification not being objected to within 40 calendar days of such notice by Noteholders representing 10 per cent. or more in aggregate principal amount outstanding of the Controlling Class (including, for the avoidance of doubt, any such objection in circumstances where failure to make such modification may result in a downgrade in the rating of any Class of Notes);

(xx) to make any other modification of any of the provisions of the Trust Deed, the Collateral Management and Administration Agreement, the Retention Undertaking Letter 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 or corresponding retention requirements under the UCITS Directive;

(xxi) to make such changes as shall be necessary to facilitate the Issuer effecting a Refinancing in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xxii) to make such changes as are necessary to facilitate the transfer of any Hedge Agreement to a replacement counterparty or the roles of any Agent to a replacement agent, in each case in circumstances where such Hedge Counterparty or Agent does not satisfy the applicable Rating Requirement and subject to such replacement counterparty or agent (as applicable) satisfying the applicable requirements in the Transaction Documents;

(xxiii) to enter into any additional agreements as well as any amendment, modification or waiver of such additional agreements if the Trustee determines that such entry, amendment,

modification or waiver would not upon becoming effective be materially prejudicial to the interests of the Holders of any Class of Notes;

(xxiv) to amend, modify or supplement any Hedge Agreement, subject to receipt of Rating Agency Confirmation or such Hedge Agreement being a Form Approved Hedge following such amendment, 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;

(xxv) to modify the restrictions on and procedures for resales and other transfers of Notes to reflect any changes in applicable law or regulation (or the interpretation thereof);

(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;

(xxvii) to evidence the succession of another person to the Issuer and the assumption by any such successor person of the covenants of the Issuer in the Transaction Documents and in the Notes, *provided that* any such successor issuer shall not have a worse position than the Issuer in respect of any tax, legal or regulatory requirement or tax treatment;

(xxviii) to amend, modify or otherwise accommodate changes to any Transaction Document relating to the administrative procedures for reaffirmation of ratings on the Notes as required by the rating criteria of the Rating Agencies;

(xxix) to accommodate the settlement of the Notes in book entry form through the facilities of Euroclear and/or Clearstream, Luxembourg or otherwise;

(xxx) to reduce the permitted Minimum Denomination of the Notes, *provided that* any such reduction in Minimum Denomination shall not adversely affect the Issuer (in respect of any legal or regulatory requirement or tax treatment of the Issuer);

(xxxi) to change the date within the month on which reports are required to be delivered; or

(xxxii) to amend any requirement that the Permitted Securities Condition be satisfied or to amend any of the definitions "**Eligible Investments**", "**Equity Security**", "**Exchanged Equity Security**", "**Participation**", "**Permitted Securities Condition**", "**Section 13 Banking Entity**" or "**Volcker Rule**" and any other provision related to compliance with the Volcker Rule, *provided that* a supermajority (66⅔ per cent. based on the aggregate principal amount of Notes held by the Section 13 Banking Entities) of the Section 13 Banking Entities (voting as a single class) consent in writing to the amendment,

provided that the implementation of any such modification in accordance with this Condition 14(c) (*Modification and Waiver*) other than a modification in accordance with Condition 14(c)(xi) (*Modification and Waiver*) shall require sanction by way of an Extraordinary Resolution in accordance with Condition 14(b)(vii) (*Extraordinary Resolution*) if such modification constitutes a Basic Terms Modification.

Any such modification, authorisation or waiver shall be binding upon the Noteholders and shall be notified by the Issuer as soon as practicable following the execution of any supplemental trust deed or any other modification, authorisation or waiver pursuant to this Condition 14(c) (*Modification and Waiver*) to:

(A) each Rating Agency, so long as any of the Rated Notes remain Outstanding; and

(B) the Noteholders in accordance with Condition 16 (*Notices*).

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, in the reasonable

opinion of the Issuer, such change shall have a material adverse effect on the rights or obligations of the Hedge Counterparty, without the Hedge Counterparty's prior written consent, or on the Collateral Manager, without the Collateral Manager's prior written consent. The Issuer agrees that it shall notify each Hedge Counterparty of any proposed amendment to any Transaction Document in accordance with the relevant Hedge Agreement and, if required pursuant to the terms of such Hedge Agreement, will obtain the prior consent of such Hedge Counterparty prior to effecting such amendment.

For the avoidance of doubt, and subject to the right of veto of the Retention Holder referred to in Condition 14(b)(x) (*Retention Holder Veto*), the Trustee shall, without the consent or sanction of any of the Noteholders (other than as otherwise provided in paragraph (x), (xii) and (xxxii) above) or any other Secured Party, concur with the Issuer in making any modification, amendment, waiver or authorisation which the Issuer certifies to the Trustee (upon which certification the Trustee is entitled to rely absolutely and without further enquiry or liability) is required pursuant to the paragraphs above (other than a modification, waiver or authorisation pursuant to paragraphs (xi), (xiii) or(xxii) above in which the Trustee may, without the consent or sanction of any of the Noteholders or any other Secured Party, concur with the Issuer) to the Transaction Documents, *provided that* the Trustee shall not be obliged to agree to any modification or any other matter 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 rights, indemnities or protections, of the Trustee in respect of the Transaction Documents.

In the case of a request for consent to a modification, amendment, waiver or authorisation pursuant to paragraphs (xi), (xiii) or (xxii) above, the Trustee shall be entitled to obtain legal, financial or other expert advice, at the expense of the Issuer, and rely on such advice in connection with determining whether or not to give such consent (if applicable or required) as it sees fit.

The Issuer may, without the consent of any other Person, make such amendments to the Letter of Undertaking or the Issuer Management Agreement as shall be necessary to document the resignation, replacement and/or appointment of one or more Managing Directors, provided that following such amendments, such documents shall be in substantially the same form as those entered into on the Issue Date. Upon the effectiveness of such amendments, the Issuer shall provide notice thereof to the Trustee and each of the other parties to the Letter of Undertaking and the Issuer Management Agreement.

(d) *Substitution*

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require (without the consent of the Noteholders of any Class), to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes of each Class, if required for taxation purposes, *provided that* such change 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 (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 Main Securities 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*).

In considering the interests of Noteholders while the Global Certificates are held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its account holders with entitlements to each Global Certificate and may consider such interests as if such account holders were the holders of any Global Certificate.

The Trust Deed provides that in the event of any conflict of interest between or among the holders of the Class A 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 B Noteholders over the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, (ii) the Class C Noteholders over the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, (iii) the Class D Noteholders over the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, (iv) the Class E Noteholders over the Class F Noteholders and the Subordinated Noteholders, and (v) 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 Notes Outstanding 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 expressly provided otherwise in any applicable Transaction Document or these Conditions, the Trustee will act upon the directions of the holders of the Controlling Class (or other Class where the holders of the Class or Classes having priority over such other Class do not have an interest in the subject matter of such directions) (in each case acting by Extraordinary Resolution), 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, *provided that* such action is consistent with the applicable law and with all other provisions of the Trust Deed.

In addition, the Trust Deed provides that, so long as any Note is Outstanding, the Trustee shall, as regards all powers, trusts, authorities, duties and discretions vested in it by the Trust Deed, 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 and no Secured Party shall have any claim against the Trustee for so doing.

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 or reduction in value 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 a clearing system or safe custody by the Custodian, 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 and Account Bank Agreement, for the performance by the Collateral Manager of any of its duties under the Collateral Management and Administration Agreement, for the performance by the Collateral Administrator of its duties under the Collateral Management and 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 Collateral 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 Main Securities 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 days after the date of dispatch thereof, (b) in the case of overseas mail, seven days after the dispatch thereof or, (c) in the case of electronic transmission, on the date of dispatch.

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.

Notwithstanding the above, so long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled account holders in substitution for delivery thereof as required by the Conditions of such Notes *provided that* such notice is also made to the Company Announcements Office of the Irish Stock Exchange for so long as such Notes are listed on the Main Securities Market of the Irish Stock Exchange and the rules of the Irish Stock Exchange so require. Such notice will be deemed to have been given to the Noteholders on the date of delivery of the relevant notice to the relevant clearing system.

17. Additional Issuances

(a) The Issuer may from time to time during the Reinvestment Period, subject to the consent of the Collateral Manager, the approval of the Subordinated Noteholders and, in the case of the issuance of additional Class A Notes, subject to the approval of the Controlling Class of such Noteholders, in each case acting by Ordinary Resolution, create and issue further Notes of each existing Class of Notes having the same terms and conditions as the applicable existing Class of Notes (subject as

provided below) and which shall be consolidated and form a single series with the Outstanding Notes of such Class (unless otherwise provided), *provided that* the following conditions are satisfied:

(i) such additional issuances of each existing Class of Notes may not exceed 100.0 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 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) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of each Class of such Notes must be identical to the terms of the previously issued Notes of the applicable Class of Notes;

(iv) the Issuer must notify the Rating Agencies then rating any Notes of such additional issuance and obtain Rating Agency Confirmation from each Rating Agency in respect of such additional issuance;

(v) the Coverage Tests will be satisfied after giving effect to such additional issuance of Notes;

(vi) the holders of each existing Class of Notes shall have been notified in writing by the Issuer (in accordance with Condition 16 (*Notices*)) 30 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;

(vii) (so long as the existing Notes of any Class of Notes to be issued are listed on the Main Securities 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 Main Securities Market of the Irish Stock Exchange (for so long as the rules of the Irish Stock Exchange so require);

(viii) 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;

(ix) 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;

(x) any issuance of additional Notes would not result in non-compliance by the Collateral Manager with the Retention Requirements; and

(xi) 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 the aggregate Principal Amount Outstanding 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 (b) below);

(b) The Issuer may also, subject to the consent of the Collateral Manager, issue and sell additional Subordinated Notes (without issuing Notes of any other Class) having the same terms and conditions as existing Subordinated Notes (subject as provided below) and which shall be consolidated and form a single series with the Outstanding Subordinated Notes, *provided that* the following conditions are satisfied:

(i) the subordination terms of such Subordinated Notes must be 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 must be issued for a cash subscription price, and the net proceeds are deposited in the Supplemental Reserve Account to be applied for Permitted Uses;

(iv) the Issuer must notify the Trustee and the Rating Agencies then rating any Notes of such additional issuance;

(v) the holders of the Subordinated Notes shall have been notified in writing by the Issuer (in accordance with Condition 16 (*Notices*)) 30 days prior to such issuance 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;

(vi) any issuance of additional Notes would not result in non-compliance by the Collateral Manager with the Retention Requirements; and

(vii) 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 securities issued pursuant to this Condition 17 (*Additional Issuances*) and forming a single series with the Notes of any Class. 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 Notes 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.

(b) *Jurisdiction*

The courts of England are to have jurisdiction to settle any disputes (whether contractual or non-contractual) which may arise out of or in connection with the Notes, and accordingly any legal action or proceedings arising out of or in connection with the Notes ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Noteholders and the Trustee and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) *Agent for Service of Process*

The Issuer appoints TMF Global Services (UK) Limited (having an office, at the date hereof, at 6 St. Andrew Street, 5th Floor, London EC4A 3AE, England, United Kingdom) as its agent in England to receive service of process in any Proceedings in England based on any of the Notes. If for any reason the Issuer does not have such agent in England, it will promptly appoint a substitute process agent and notify the Trustee and the Noteholders of such appointment. Nothing herein shall affect the right to service of process in any other manner permitted by law.

USE OF PROCEEDS

The estimated net proceeds of the issue of the Notes after payment of fees payable on or about the Issue Date and payment of certain fees and expenses and/or transfer funds to the Expense Reserve Account to meet such fees and expenses are expected to be approximately €352,900,000.00. Such proceeds will be used by the Issuer to repay the relevant lender under the Warehouse Arrangements in respect of the funding provided by them to finance the purchase of Collateral Obligations prior to the Issue Date. The Issuer will use the remaining proceeds to acquire Collateral Obligations complying with the Eligibility Criteria and the other requirements of the Collateral Management and Administration Agreement during the Initial Investment Period and to fund the First Period Reserve Account on the Issue Date.

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 (other than, in certain circumstances, the Class E Notes, the Class F Notes and the Subordinated Notes as described below) 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) a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, or (b) to a QIB/QP 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 (other than, in certain circumstances, the Class E Notes, the Class F Notes and the Subordinated Notes as described below) 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 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 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 Denomination and Authorised Integral Amounts thereof applicable to interests in such Rule 144A Global Certificate only upon receipt by the Transfer Agent of a written certification (in the form provided in the Trust Deed) to the effect that the transferor reasonably believes 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 Transfer Agent of a written certification (in the form provided in the Trust Deed) from the transferor to the effect that the transfer is being made to a non-U.S. Person and in accordance with Regulation S.

Any beneficial interest in a Regulation S Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate will, upon transfer, cease to be an interest in such Regulation S Global Certificate and become an interest in the Rule 144A Global Certificate, and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Rule 144A Global Certificate for as long as it remains such an interest. Any beneficial interest in a Rule 144A Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate will, upon transfer, cease to be an interest in a Rule 144A Global Certificate and become an interest in the Regulation S Global Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Regulation S Global Certificate for so long as it remains such an interest. No service charge will be made for any registration of transfer or exchange of Notes, but the Transfer Agent may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Except in the limited circumstances described below, owners of beneficial interests in Global Certificates will not be entitled to receive physical delivery of certificated Notes.

Each initial investor and each transferee of a Class E Note, a Class F Note or a Subordinated Note in the form of a Rule 144A Global Note or Certificate or a Regulation S Global Note or Certificate either (a) 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 or (b) may not acquire such Class E Note, Class F Note or Subordinated Note unless such transferee: (i) obtains the written consent of the Issuer; (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); and (iii) unless the written consent of the Issuer to the contrary is obtained, holds such Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate. 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. No proposed transfer of Class E Notes, Class F Notes or Subordinated Notes (or interests therein) will be permitted or recognised if a transfer to a transferee will cause 25 per cent. or more of the total value of the Class E Notes, the Class F Notes or the Subordinated Notes (determined separately by each class of equity interest) to be held by Benefit Plan Investors, disregarding Class E Notes, Class F Notes or Subordinated Notes (or interests therein) held by Controlling Persons.

The Notes are not issuable in bearer form.

Exchange for Definitive Certificates

Exchange

Each Global Certificate will be exchangeable, free of charge to the holder, on or after its Definitive Exchange Date (as defined below), in whole but not in part, for Definitive Certificates if a Global Certificate is held (directly or indirectly) on behalf of Euroclear, Clearstream, Luxembourg or an alternative clearing system and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces its intention to permanently cease business or does in fact do so.

In addition, 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 a certification substantially in the form of Schedule 8 to the Trust Deed (*Form of ERISA Certificate*).

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.

The Registrar will not register the transfer of, or exchange of interests in, a Global Certificate for Definitive Certificates during the period from (but excluding) the Record Date to (and including) the date for any payment of principal or interest in respect of the Notes.

If only one of the Global Certificates (the "**Exchanged Global Certificate**") becomes exchangeable for Definitive Certificates in accordance with the above paragraphs, transfers of Notes may not take place between, on the one hand, persons holding Definitive Certificates issued in exchange for beneficial interests in the Exchanged Global Certificate and, on the other hand, persons wishing to purchase beneficial interests in the other Global Certificate.

"**Definitive Exchange Date**" means a day falling not less than 30 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Registrar and the Transfer Agent is located.

Delivery

In such circumstances, the relevant Global Certificate shall be exchanged in full for Definitive Certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar or any Transfer Agent may

require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Definitive Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Global Certificate must provide the Registrar with (a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Certificates and (b) in the case of the Rule 144A Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange or, in the case of simultaneous sale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive Certificates issued in exchange for a beneficial interest in the Rule 144A Global Certificate shall bear the legends applicable to transfers pursuant to Rule 144A, as set out under "*Transfer Restrictions*" below.

Legends

The holder of a Class E Note, Class F Note or Subordinated Note in registered definitive form, as applicable, may transfer the Notes represented thereby in whole or in part in the applicable Minimum Denomination and Authorised Integral Amounts thereof by surrendering it at the specified office of the Registrar or the Transfer Agent, together with the completed form of transfer and, to the extent applicable, the consent of the Issuer and a duly completed ERISA Certificate substantially in the form of Annex A. Upon the transfer, exchange or replacement of a Class E Note, Class F Note or Subordinated Note 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 Class E Notes, Class F Notes or Subordinated Notes 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. With the written consent of the Issuer, a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate or a Regulation S Global Certificate, subject to all transfer restrictions and other procedures applicable to beneficial interests in a Rule 144A Global Certificate or a Regulation S Global Certificate (as applicable).

Exchange for Global Certificates

Exchange

Each Definitive Certificate representing the Class E Notes, Class F Notes or Subordinated Notes will be exchangeable, free of charge to the holder, in whole but not in part, for an interest in a Global Certificate if a Global Certificate is held (directly or indirectly) on behalf of Euroclear, Clearstream, Luxembourg or an alternative clearing system.

A Definitive Certificate representing the Class E Notes, Class F Notes or Subordinated Notes may be exchangeable for an interest in Global Certificates representing Class E Notes, Class F Notes or Subordinated Notes (as applicable) if the relevant Noteholder is no longer acting on behalf of a Benefit Plan Investor or is not a Controlling Person. The Registrar will not register the transfer of, or exchange of, a Definitive Certificate for an interest in a Global Certificate during the period from (but excluding) the Record Date to (and including) the next following Payment Date.

Delivery

In such circumstances, the relevant Definitive Certificate shall be exchanged in full for an interest in a Global Certificate and the Noteholder will, at the cost of the Issuer (but against such indemnity as the Registrar or any 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 the relevant Definitive Certificate to be surrendered at the specified office of the Registrar or the Transfer Agent together with the completed form of transfer and, to the extent applicable, the consent of the Issuer and a duly completed ERISA Certificate substantially in the form of Annex A.

An interest in a Global Certificate will be subject to all transfer restrictions and other procedures applicable to beneficial interests in Global Certificates (as applicable).

BOOK ENTRY CLEARANCE PROCEDURES

The information set out below has been obtained from sources that the Issuer believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. In particular, such information is subject to any change in or interpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the "**Clearing Systems**") currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Trustee, the Collateral Manager, the Sole Arranger, the Initial Purchaser or any Agent party to the Agency and Account Bank 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 such Global Certificates directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and together with Direct Participants, "**Participants**") through organisations which are accountholders therein.

Book Entry Ownership

Euroclear and Clearstream, Luxembourg

Each Regulation S Global Certificate and each Rule 144A Global Certificate will have an ISIN and a Common Code and will be registered in the name of a nominee of a 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 (as the case may be). The Issuer expects that, upon receipt of any payment in respect of Notes represented by a Global Certificate, the common depositary by whom such Note is held, or nominee in whose name it is registered, will immediately credit the relevant Participants' or accountholders' accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Global Certificate as shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in any Global Certificate held through such Direct Participants in any Clearing System will be governed by standing

instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Certificate and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Certificate in respect of each amount so paid. None of the Issuer, the Trustee or any Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in any Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Settlement and Transfer of Notes

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing System's records. The ownership interest of each actual purchaser of each such Note (the "**Beneficial Owner**") will in turn be recorded on the Direct Participant and Indirect Participant's records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes held within the Clearing System will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in any Global Certificate held within a Clearing System is exchanged for Definitive Certificates.

No Clearing System has knowledge of the actual Beneficial Owners of the Notes held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Trading between Euroclear and/or Clearstream, Luxembourg Participants

Secondary market sales of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

RATINGS OF THE NOTES

General

It is a condition of the issue and sale of the Notes that the Notes (except for the Subordinated Notes) be issued with at least the following ratings: the Class A Notes: "Aaa (sf)" from Moody's and "AAAsf" from Fitch; the Class B Notes: "Aa2 (sf)" from Moody's and "AAsf" from Fitch; the Class C Notes: "A2 (sf)" from Moody's and "A+sf" from Fitch; the Class D Notes: "Baa2 (sf)" from Moody's and "BBBsf" from Fitch; the Class E Notes: "Ba2 (sf)" from Moody's and "BBsf" from Fitch; and the Class F Notes: "B2 (sf)" from Moody's and "B-sf" from Fitch. The Subordinated Notes being offered hereby will not be rated.

The ratings assigned to the Class A Notes and the Class B Notes by Fitch address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, Class D Notes, Class E Notes and Class F Notes by Fitch address the ultimate payment of principal and interest. The ratings assigned to the Rated Notes by Moody's address the expected loss posed to investors by the legal final maturity on the Maturity Date.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the applicable rating agency.

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.

Moody's Ratings

The ratings assigned to the Rated Notes by Moody's are based upon its assessment of the probability that the Collateral Obligations will provide sufficient funds to pay each such Class of Notes, based largely upon Moody's statistical analysis of historical default rates on debt obligations with various ratings, the asset and interest coverage required for such Class of Rated Notes (which in the case of a Class of Rated Notes is achieved through the subordination of each Class of Notes ranking below such Class of Rated Notes) and the diversification requirements that the Collateral Obligations are required to satisfy.

Moody's ratings address the expected loss posed to investors by the legal final maturity on the Maturity Date. The structure allows for timely payment of interest and ultimate payment of principal with respect to the Class A Notes and the Class B Notes by the legal final maturity on the Maturity Date.

Moody's analysis of the likelihood that each Collateral 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, obligor and industry. There can be no assurance that the actual default rates on the Collateral 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 Collateral Manager, the legal structure and the risks associated with such structure and other factors that they deem relevant.

Fitch Ratings

The ratings assigned to the Rated Notes by Fitch are based upon Fitch's statistical analysis of historical default rates on debt obligations with similar characteristics to the Collateral Obligations and the various eligibility requirements that the Collateral Obligations are required to satisfy.

Fitch analyses the likelihood that each Collateral Obligation will default, 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. Fitch then determines the level of credit protection necessary based on a specific percentile of the portfolio default distribution determined by the Fitch 'Portfolio Credit Model' which takes into account the correlation between assets in the portfolio based on the level of diversification by region, issuer and industry. The results of a statistical analysis are incorporated into a cash flow model built to mimic the structure of the transaction. In this regard, the results of several default scenarios, in conjunction with various qualitative tests (e.g. analysis of the strength of the Collateral Manager), are used to determine the credit enhancement required to support a particular rating.

Fitch Ratings of the Rated Notes were established under various assumptions and scenarios.

There can be no assurance that actual defaults on the Collateral Obligations will not exceed those assumed by Fitch in its analysis, or that recovery rates with respect thereto (and consequently loss rates) will not differ from those assumed by Fitch.

In addition to those quantitative tests, Fitch Ratings take into account qualitative features of a transaction, including the experience of the Collateral Manager, the legal structure and the risks associated with such structure and other factors that Fitch deems relevant.

THE ISSUER

General

The Issuer is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated with the name of BNPP IP Euro CLO 2016 B.V. under the laws of The Netherlands on 27 June 2016 and changed its name to BNPP AM Euro CLO 2017 B.V. on 27 June 2017. The Issuer's corporate seat is in Amsterdam and it has its registered office at Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands. The Issuer is registered in the commercial register of the Chamber of Commerce for Amsterdam under number 66369088. 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 incorporated as a special purpose company and was established to raise capital (including by the issue of the Notes) to finance the acquisition of collateral obligations, including the Collateral Obligations forming part of the Portfolio. The Articles of Association (the "**Articles**") of the Issuer dated 27 June 2016, as amended on 3 November 2016 and 27 June 2017, provide under Article 2 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

Prior to the Issue Date, the Issuer entered into financing and related arrangements provided by BNP Paribas, as lender (the "**Lender**") in order to finance the acquisition by the Issuer of collateral obligations including the Collateral Obligations comprised in the Portfolio on the Issue Date (the "**Warehouse Arrangements**"). Those collateral obligations acquired by the Issuer prior to the Issue Date and which will not comprise Collateral Obligations forming part of the Portfolio on the Issue Date will have been disposed of by the Issuer prior to the Issue Date. Some of the Collateral Obligations have been acquired by the Issuer from the Senior Creditor. Amounts owing by the Issuer to the Lender under the Warehouse Arrangements will be fully repaid and the Issuer will be released from all of its obligations thereunder on or before the Issue Date using the proceeds from the issuance of the Notes.

Save as specified above, the Issuer has not previously carried on any business or activities other than those incidental to its incorporation, the authorisation and entry into of the Warehouse Arrangements, the acquisition of the collateral obligations including Collateral Obligations forming part 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 Transaction Documents 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 of the Issuer (the "**Managing Directors**") are:

Name	Occupation	Business Address
H.P.C. Mourits	Director	Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands
J.P. Boonman	Director	Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands
P.T.W. Rutovitz	Director	Luna ArenA, 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, or a shorter notice period as approved at a general meeting of the Issuer. The Managing Directors have undertaken not to resign unless suitable replacement managing directors have been contracted.

Directors' Experience

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/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 Jakob P. Boonman

Jakob Boonman is Team Leader Transaction Manager at TMF Structured Finance Services in The Netherlands. Before joining the TMF Group in 2013, Mr. Boonman worked as a legal counsel at an international investment firm in Antwerp and Amsterdam. Prior to this position Mr. Boonman held several legal and commercial positions at IMFC Management B.V. / Structured Finance Management (Netherlands) B.V., and the Amicorp Group. Mr. Boonman holds a Master Degree in Dutch Civil Law from the University of Utrecht.

Mr Philip T.W. Rutovitz

Philip has been working for the TMF Group since 2012. He currently works as the Director Client Services for Structured Finance Services in the TMF Amsterdam office where he has been since 2014. Prior to his current role, he was working out of the Frankfurt office as the Global Operations Manager for Structured Finance Services. Before joining TMF, Philip ran his own software company for over a decade and before that he worked as a structurer/modeller of synthetic CMBS transactions for a German mortgage bank. Philip holds a Master's degree in Business Administration from the University of Hartford and a Bachelor's degree from Wesleyan University in Mathematical Economics and Computer Science.

Capital and Shares

The Issuer's issued share capital is €1, which is fully paid up and represents 1 share with a nominal value of €1.

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 of €1	€1
Loan Capital	
Class A Notes	€215,250,000
Class B Notes	€38,500,000
Class C Notes	€20,500,000
Class D Notes	€17,500,000
Class E Notes	€22,850,000
Class F Notes	€9,450,000
Subordinated Notes	€37,600,000
Total Capitalisation	€361,650,001

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 (including the funding provided pursuant to the Warehouse Arrangements, which will be paid in full on the Issue Date from proceeds of issue of the Notes).

Holding Structure

The entire issued share capital of the Issuer is held by Stichting BNPP AM Euro CLO 2017, a foundation (*stichting*) established under the laws of The Netherlands having its registered office at Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands (the "**Foundation**").

None of the Collateral Manager, the Collateral Administrator, the Trustee, the Retention Holder 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., 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 Conditions of the Notes).

Financial Statements

The Issuer has not prepared financial statements as of the date of this Prospectus. The Issuer intends to publish its first financial statements in respect of the period from incorporation to 30 June 2017. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 30 June in each year.

The auditors of the Issuer are Mazars Paardekooper Hoffman Accountants N.V., Delflandlaan 1, 1007 JG Amsterdam, 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.

DESCRIPTION OF THE COLLATERAL MANAGER

The Issuer has accurately reproduced the information contained in the section entitled "Description of the Collateral Manager" from information provided to it by the Collateral Manager but it has not independently verified such information. So far as the Issuer is aware and is able to ascertain from information published by the Collateral Manager, no facts have been omitted which would render the reproduced Information inaccurate or misleading. None of the Issuer, the Sole Arranger, the Initial Purchaser or any other party assumes any responsibility for the accuracy or completeness of such information. The delivery of this Prospectus will not create any implication that there has been no change in the affairs of the Collateral Manager since the date of this Prospectus, or that the information contained or referred to in this section is correct as of any time subsequent to the date of this Prospectus.

General

BNP PARIBAS ASSET MANAGEMENT France SAS will act as the Collateral Manager to the Issuer through its Global Loans ("**Global Loans**") unit. BNP PARIBAS ASSET MANAGEMENT France SAS is 100 per cent. owned by BNP PARIBAS ASSET MANAGEMENT Holding SA, which, in turn, is 98.24 per cent owned directly or indirectly by BNP Paribas S.A.. BNP PARIBAS ASSET MANAGEMENT France SAS changed its name from BNP Paribas Asset Management SAS on 1 June 2017.

Description of BNP Paribas Group

BNP Paribas is a leading bank in the Euro zone and a major global bank. At 31 December 2015, the Group is active in 75 countries with nearly 189,000 employees, more than 146,610 of whom are in Europe. BNP Paribas has key positions in its three main areas of activity: Domestic Markets, International Financial Services, Corporate and Institutional Banking.

In Europe, the Group has four domestic markets — Belgium, France, Italy and Luxembourg — and BNP Paribas Personal Finance is the leader in consumer finance. BNP Paribas is also developing its integrated retail banking model in countries around the Mediterranean basin and has a large network in the Western United States. Its Investment Solutions and Corporate & Investment Banking businesses are among the leaders in Europe and boast a solid foothold in the Americas, as well as a robust and rapidly-growing presence in Asia-Pacific.

In 2016, BNP Paribas had revenues of EUR 43.4 billion and generated EUR 7.7 billion of net income attributable to equity holders. At 31 December 2016, the group had total assets of EUR 2,076.9 billion and a Tier 1 Capital Ratio of 11.5 per cent..

Description of BNP Paribas Asset Management

BNP Paribas Asset Management ("**BNPP AM**") is the global brand name of the BNP Paribas Group asset management services. It is one of the largest European asset managers with €560 billion in assets under management and advisory, c. 3000 employees in 30 countries and 60 investment centres as of December 2016. It is organised under five major investment units (Equities, Fixed income and money market, Global balance solutions, Emerging Markets) to serve its broad client base: Distribution, Institutional and APAC and Emerging Markets.

As of June 2017, BNPP AM has an Investment Management Quality Rating of "Excellent" from Fitch Ratings.

Description of BNP PARIBAS ASSET MANAGEMENT France SAS and its Global Loans unit

BNP PARIBAS ASSET MANAGEMENT France SAS is the largest partner within BNPP AM. It manages €388 billion in assets under management and advisory as of December 2016, with c. 600 employees.

It is registered with the Autorité des marchés financiers under number GP 96002, a simplified joint stock company with a capital of 70,300,752 euros with its registered office at 1, boulevard Haussmann 75009 Paris, France, RCS Paris 319 378 832.

The Global Loans team sits within the Private Debt & Real Assets unit of BNP Paribas Asset Management. The team has been operating in the United States since 2006 and in Europe since 2008, and currently manages 16 vehicles representing assets under management of EUR 4.7 billion as of December 2016.

The Global Loans team has extensive experience in the European leveraged finance market and in managing European CLOs with the credit expertise, deal sourcing and transaction management skills necessary to manage a portfolio of European senior leveraged loans such as the Portfolio.

Personnel of Global Loans unit:

Set forth below is information regarding the background and principal occupations of the principal Paris-based officers of the Global Loans team and of its delegates, including those officers who are expected to be primarily responsible for managing the Portfolio under the Collateral Management and Administration Agreement. These individuals are employed by the Collateral Manager as of 30 May 2017, and hold the offices indicated below. Such persons may not necessarily continue to be so employed during the entire term of the Collateral Management and Administration Agreement.

Vanessa Ritter, Head of Global Loans

Vanessa Ritter is responsible for overseeing approx. $5Bn. of AUM across several global loan strategies, including CLOs, total return funds and small/mid-cap funds. She is the Lead US Portfolio Manager and is responsible for a 20–person team based in New York and Paris. Vanessa has 24 years of investment experience primarily in Leveraged Loans, Private Placement bonds and Corporate Banking. She joined BNP Paribas through BNP's predecessor firm, Fortis Investments, in 2008 from Genworth Financial where she was the Credit Risk Management Leader for the Private Placement Fixed Income Group overseeing an $11B bond portfolio. She was responsible for approving all new investments, recommending new deal structures, conducting impairment reviews and selecting collateral for 3 CDOs. Prior to Genworth, Vanessa was a Senior Corporate Credit Analyst and Risk Manager for the Royal Bank of Canada where she analysed and approved deals for a diversified portfolio of global credits. Vanessa holds a Bachelor's degree in Economics from the University of Toronto, an MBA from the Ivey School of Business, and is a CFA charter holder. Vanessa is a member of the CLO Committee and is involved in US and European CLO transaction structuring.

Javier Peres Diaz, Head of European Loans

Javier has over 17 years of combined experience in investment banking and asset management, with a core professional focus on leveraged finance, corporate credit analysis, and sub-investment grade fixed income investing. Javier is responsible for managing the European activities of the Global Loans team. He is also the team's lead portfolio manager in Europe with direct oversight responsibilities for over EUR 3.5 Bn in AuM managed for institutional clients. Javier is also a member of the investment committee of Global Loans, which is the main governance instance within the team conducting credit selection. Prior to his current role, Javier spent several years with the Corporate & Investment Banking division of BNP Paribas Fortis, where he was an associate director within the Acquisition & Leveraged Finance team. His responsibilities under this position spanned the entire credit analysis and transacting spectrum of corporate loan financings backing private-equity-sponsored buyouts and corporate-to-corporate acquisitions in Europe. During this assignment, Javier also acquired significant debt restructuring experience across several industries and jurisdictions in Europe. Before joining BNP Paribas Fortis, Javier worked within the investment banking industry in Latin America, where he gained substantial M&A experience in the oil & gas, telecom and energy sectors. Javier holds a Bachelor's degree in Business and Economics from Pontificia Universidad Católica de Chile (Chile), a Masters in Financial Management from Vlerick Business School, Katholieke Universiteit Leuven and Ghent University (Belgium) and an MBA from Manchester Business School, The University of Manchester (UK). Javier is a member of the CLO Committee and is involved in European CLO transaction structuring.

Dennis Tian, Senior Portfolio Manager and trader

Dennis has over 12 years of experience in buy-side credit analysis and loan portfolio management in both the European and US market. Dennis is responsible for all the trading and sourcing activities of syndicated corporate loans in European market. His current work focuses on the management of unlevered portfolios of syndicated corporate loans for institutional investors. Dennis is a member of the investment committee of the

Global Loans team, which is the main governance body overseeing the credit selection process of the European and US corporate loan portfolios managed by BNP Paribas Asset Management. Dennis started his career as a fixed income trader at ABN Amro in Amsterdam, when he joined BNPP AM as an investment analyst in 2007, his industry research focused on the healthcare, industrial, chemical and packaging sectors. Later as a portfolio constructor, he was responsible for portfolio optimization and simulation. Dennis holds a BSc in International Business Administration and a MSc in Finance and Investments (Cum Laude), both from Rotterdam School of Management at Erasmus University Rotterdam (NL), in addition, Dennis is a CFA charter holder.

Vincent Brousseau, Senior Portfolio Manager

Vincent Brousseau is a Senior Portfolio Manager and heads Distressed Debt Investments in European Loans at BNP Paribas IP. Vincent joined BNP Paribas in 1999 and has 17 years of investment experience primarily in Leveraged Loans. He spent 7 years in the Origination LBO financing business in Spain and France. He has been involved in the European CLO Funds Management activity since 2006 where he was leading the credit investment team and in charge of new business opportunities (external growth, negotiation of new transactions). He is a member of the CLO Steering and Investment Committees and leads the management of one credit opportunity fund. Vincent holds a Master's degree from the business school ESCP-EAP. Vincent is a member of the CLO Committee and is involved in European CLO transaction structuring.

Ludovic Bonneau, Portfolio Manager

Ludovic has over 19 years of combined work experience in corporate and investment banking and asset management with a significant focus on leveraged finance and corporate credit analysis. Ludovic serves currently as portfolio manager of European CLO funds including BNPP IP EURO CLO 2015-1, the first 2.0 CLO Fund managed by BNPP in Europe. He joined BNP Paribas in 2009 as senior investment analyst within the CLO team maintaining coverage for the industrial and business services sectors. Prior to BNP Paribas Group, Ludovic worked at Credit Agricole CIB (formerly known as Calyon) for 10 years in various positions: 2 years as CLO Investment Analyst, 2 years as Corporate Relationship Manager, 4 years in the Inspection Générale department and 2 years in Luxembourg as Project Manager in the custody department. Ludovic holds a Master's degree from Ecole des Hautes Etudes Commerciales du Nord (EDHEC). Ludovic is a member of the CLO Committee and is involved in European CLO transaction structuring.

Bettina Boccadifuoco, Credit Analyst – European Loans

Bettina has 11 years of work experience in Financial Markets and Investment Banking and has joined the Global Loans Team in the role of Credit Analyst and in charge of the financial analysis of syndicated European loan investments. Bettina started her career in Brussels in 2006 as International Management Trainee at Fortis Bank. She then became Equity Derivatives Sales and Structurer, in charge of developing the Institutional market in Italy. She joins the Global Loans Team after 4 years' experience within the Origination team of Leveraged Finance at BNP Paribas in Brussels, where she structured and executed transactions in the Benelux, Nordics and Central and Eastern Europe regions. Bettina graduated with a B.Sc and M.Sc from Politecnico di Milano in Management, Economics and Industrial Engineering in 2005.

Pierre-Marie Boittin, Credit Analyst – European Loans and trader

Pierre-Marie has 11 years of credit and investment analysis experience, with a focus on the European Media & Telecom sectors. He is responsible for monitoring a portfolio of leveraged loans and reviewing new primary LBO transactions across Europe. Since 2012, Pierre-Marie has also been responsible for the trading activity of the CLO funds, proposing trade ideas to portfolio managers and insuring best execution of trades. He joined BNP Paribas CIB's Leveraged Finance team in 2006 as a credit analyst for the bank's European CLOs, and transferred to BNP Paribas Asset Management in 2014. Prior to joining BNP Paribas, Pierre-Marie worked as an analyst in the Leveraged Finance team of HSBC in Paris, where he focused on structuring and investing in European LBOs. He graduated from EDHEC Business School with a Masters degree in Finance.

Henri de Rochebrune

Henri has 14 years of work experience in Investment Banking and Financial Markets, developing a strong expertise across a variety of financing instruments, investors types, industries, countries and corporate life cycles. He joined the Global Loans Team in 2015 in the role of Credit Analyst and is in charge of the financial analysis of syndicated European loan investments. Thanks to his experience, he also helps to develop the franchise by pitching private equity and capital market teams to optimize early bird invites, access to new transactions and final allocations. Henri started his career in 2003 at CDC IXIS in Paris where he was in charge of credit risk analysis and preparation of credit requests for leveraged, plain-vanilla and transportation assets finance transactions. In 2004, he moved to Fortis to set-up the investment banking branch in France with the CEO. Then, Henri joined the Leveraged Finance team early 2005 where he was responsible for originating, structuring, underwriting, syndicating and monitoring of leveraged financings with a focus on French small & mid-sized transactions. In the frame of the integration within BNP Paribas, Henri joined the Leveraged Syndication team late 2009 where he was responsible for structuring, underwriting and syndicating of mid & large-sized LBO, telecom & crossover financings across Europe. Henri is graduated from ESSEC BBA and ISC (MBA Corporate Finance).

Eric Lagoutte, Credit Analyst – European Loans

Eric joined the Global Loans team in 2014 after 8 years of experience in leveraged finance during which he was mainly been involved in structuring deals and monitoring portfolios for a broad range of companies and industries. Eric started his career in 2006 at Banque Esperito Santo et de la Vénétie where he was mainly involved in credit analysis of syndicated leveraged loans. He moved end 2007 to Fortis Bank in Paris where he has gained expertise on structuring, syndicating and monitoring leveraged mid-cap deals. Then, following the integration within BNP Paribas CIB early 2010, Eric joined the Leverage Finance team where he was responsible for monitoring a portfolio of leveraged loans for mid-cap and large cap operations. Eric is graduated from ICN Management School, EM Lyon (Specialized Master in Corporate Finance) and he holds a degree in Economics and Business.

Sofia Nevrokoplis-Marois, Credit Analyst – European Loans

Sofia has 20 years of work experience in Investment Banking and Financial Markets. She has joined the Global Loans Team in 2013 in the role of Senior Investment Analyst and in charge of the financial analysis of syndicated European loan investments. She joined Fortis Investment Management in 2004, in Paris, as equity buy-side analyst of the European banking sector and, initially, as co-fund manager of the FLF Equity Finance Europe Fund (Euro 520mn of AUM). She subsequently became the lead portfolio manager of the same fund. Following the integration in BNP IP, she became portfolio manager of the FLF Equity Finance Europe, BNP Parvest Finance and BNP Parvest Switzerland funds. Before joining Fortis Investement Management, she spent 5 years with Rothschild & Cie, in Paris, in Corporate Finance and later as equity buy-side analyst of European financial stocks and as Portfolio Manager of European Equity Funds. She started her career in London in 1996 as junior sell-side equity analyst at Goldman Sachs Intl. in the European banks team before joining Credit Suisse First Boston's FIG team (Financial Institutions Group) as analyst in the Merger & Acquisitions Division, in London. Sofia graduated with a B.Sc and M.Sc from The London School of Economics and Political Science, in Economics and Finance in 1996.

Lise Yu, Credit Analyst – European Loans

Lise transitioned to a credit analyst role one year ago. In her prior role, she served as a CLO financial controller for 4 years, performing transaction management and financial reporting work. Before joining the team in 2011, she worked for 7 years for Corporate Acquisition Finance EMEA as a middle-officer and financial controller, and 3 years in the accounting department of BNP Paribas Group. Lise began her career as a financial controller in Euro Disney SCA for 3 years. Lise holds Master's degree in Economics from the Panthéon-Assas University.

Yuko Igarashi, Business Manager

Yuko Igarashi is responsible for Investors Relations of global credit fund products as well as structuring in Global Loans team. She has 29 years of combined experience in both capital markets and asset management.

Yuko was previously a structurer of total return strategies (credit and quantitative) within Alternative Fixed Income Investment team of BNPP AM. She started to work on the Loan asset class in 2011, then she was officially transferred to the current position in 2013. She joined BNP Paribas Asset Management in 2001 as a product specialist of structured fund and contributed in launch of a number of capital guaranteed funds. Before joining in the BNP Paribas Asset Management, she worked as an interest rate derivative trader, first in Banque Nationale de Paris Tokyo Branch then in its New York Branch where she was responsible for the USD interest rate swap trading. Yuko holds a BA from Aoyama Gakuin University in Tokyo, Japan (1987).

Boris Demonet, Structured Professional in Debt Funds

Boris serves as an Investment Services specialist supervising financial control, administration, reporting to investors, liability management and operations for European CLOs. He has been working for 14 years in the CLO Team and has developed an efficient internal control framework fully embedded in the CLO Investment process. He has an extensive expertise in structured-credit funds. He conducted two structural amendments of CLO Funds, following formal consent from a majority of anchor clients. He participated in leading initiatives of external growth between 2008 and 2013 and contributed to the organic growth of the Business Line. He joined BNP Paribas Group in 2001 and the CLO Team in 2002. Prior to that, he spent 4 years at Arthur Andersen as an auditor within the financial services industry practice. Boris holds a Master's degree from Ecole des Hautes Etudes Commerciales du Nord (EDHEC).

Angéla Léoture, Financial Controller – European Loans

Angela serves as a Financial Controller. She performs transaction management and financial reporting work. Before joining the Loan Team in 2013 she worked for 4 years as a controller in the Finance department of BNP Paribas Group's French retail bank. Prior to that she was a financial controller in Coopernef Alternative Managers and Axa RE Investment Managers for c. 4 years. She started her career at Ernst & Young as an auditor within the Financial services industry practice for 4 years. Angela holds a Master's degree from the Institut Commercial de Nancy (ICN), France.

DESCRIPTION OF THE RETENTION HOLDER AND RETENTION REQUIREMENTS

The Issuer has accurately reproduced the information contained in this section entitled "Description of the Retention Holder and Retention Requirements – Description of the Retention Holder" from information provided to it by the Retention Holder but it has not independently verified such information. So far as the Issuer is aware and is able to ascertain from information published by the Retention Holder, no facts have been omitted which would render the reproduced Information inaccurate or misleading. None of the Issuer, the Sole Arranger, the Initial Purchaser or any other party assumes any responsibility for the accuracy or completeness of such information. The delivery of this Prospectus will not create any implication that there has been no change in the affairs of the Retention Holder since the date of this Prospectus, or that the information contained or referred to in this section is correct as of any time subsequent to the date of this Prospectus.

Description of the Retention Holder

The Collateral Manager shall act as Retention Holder for the purposes of the Retention Requirements. As further described in "*The Retention Requirements*" and "*U.S. Credit Risk Retention*" below, the Collateral Manager will undertake to comply with the Retention Requirements.

EU Retention Requirements

By virtue of its role in establishing and managing the CLO transaction described in this Prospectus, the Collateral Manager would be expected to qualify as the "sponsor" of such CLO for the purposes of the CRR, thereby being eligible to hold the requisite risk retention pursuant to the CRR Retention Requirements.

In order to qualify as "sponsor" of a CLO and hold the retention, a collateral manager must be an "investment firm" as defined in CRR. To be such an "investment firm", the collateral manager must be authorised by its home regulator to conduct certain regulated activities beyond portfolio management. Asset managers having a UCITS/AIFMD licence (such as BNP PARIBAS ASSET MANAGEMENT France SAS) do not have the relevant permissions and cannot, therefore, hold the retention as "sponsor".

In order to address this situation in respect of the Collateral Manager's regulatory permissions, it intends to hold the requisite risk retention in its capacity as "originator" pursuant to the CRR Retention Requirements.

The risk retention will be held directly by the Collateral Manager in a way which would be expected to satisfy the CRR Retention Requirements by a sponsor were it not for the limitations with respect to its regulatory permissions described above. No originator special purpose vehicle or similar interposed entity will be involved. In order for an entity to qualify as a party eligible under the CRR Retention Requirements to commit to hold the requisite risk retention (an "**eligible retainer**"), it must be either a "sponsor", "originator" or "original lender" in respect of the scheme constituting the relevant securitisation.

The CRR definition of an "**originator**" is an entity which either:

(a) itself or through related entities, directly or indirectly, was involved in the original agreement which created the obligations being securitised; or

(b) purchases third party exposures "for its own account" and then securitises them.

Article 3(1)(4) of the regulatory technical standards adopted by the EU Commission on 12 March 2014 provides that, where the securitised exposures are created by multiple originators (as is the case in a managed CLO, where assets are acquired from numerous sellers in the market), the CRR Retention Requirements may be fulfilled in full by a single originator *provided that* that originator either:

(a) has established and is managing the scheme (a "**manager originator**"); or

(b) has established the scheme and contributed over 50 per cent. of the total securitised exposures (a "**non-manager originator**").

The intention is for the Collateral Manager to hold the risk retention by virtue of it:

(a) acting as originator in respect of a portion of the Portfolio by being involved in primary origination of certain Collateral Obligations through a related entity, BNP Paribas; and

(b) having established and being the manager of the CLO.

The Collateral Manager is 100 per cent. owned by BNP PARIBAS ASSET MANAGEMENT Holding SA, which, in turn, is 98.24 per cent owned directly or indirectly by BNP Paribas S.A., which is a "credit institution" under the CRR.

The Collateral Manager will represent and warrant that, as of the Issue Date, Collateral Obligations in respect of which BNP Paribas (being a related entity of the Collateral Manager) was involved, directly or indirectly, in the creation of the relevant Underlying Instruments (the "**BNP Originated Assets**") will constitute greater than 10.0 per cent. of the Aggregate Principal Balance.

As is typical for a managed CLO, there will be multiple originators. The Collateral Manager expects that it will qualify as an eligible retainer by virtue of being a manager originator, in which case the CRR Retention Requirements do not explicitly require a minimum amount of the total securitised exposures which must be contributed by the originator (as compared with non-manager originators).

On the basis of the above, and the representations and undertakings to be given by the Collateral Manager as described in "*Description of the Retention Holder and Retention Requirements – The Retention Requirements*" below, the Collateral Manager is of the view that it is an "originator" for the purposes of the EU Retention Requirements which is eligible to hold the risk retention.

The Retention Requirements

The information appearing in this section entitled "Description of the Retention Holder and Retention Requirements – The Retention Requirements" below consists of a summary of certain provisions of the Retention Undertaking Letter which does not purport to be complete and is qualified by reference to the detailed provisions of such letter.

Pursuant to the Retention Undertaking Letter, the Retention Holder will:

(a) undertake to acquire on the Issue Date and hold on an ongoing basis for so long as any Class of Notes remains Outstanding, a material net economic interest of not less than 5 per cent. of the Principal Amount Outstanding of each Class of Notes then Outstanding (the "**Retention Notes**");

(b) agree not to 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 EU Retention Requirements and paragraph (x) below;

(c) subject to any regulatory requirements, agree:

(i) to take such further reasonable action, provide such information, on a confidential basis, and enter into such other agreements as may reasonably be required to satisfy the EU Retention Requirements as of the Issue Date; and

(ii) to provide to the Issuer, on a confidential basis, information in the possession of the Retention Holder relating to its holding of the Retention Notes, at the cost and expense of the party seeking such information, and to the extent such information is not subject to a duty of confidentiality,

in each case, at any time prior to maturity of the Notes;

(d) agree to confirm its continued compliance with the covenants set out at paragraphs (a), (b) and (c) above in writing (which confirmation may be provided by email) (i) to the Collateral Administrator on a monthly basis and (ii) at any other time promptly upon a request made by any of the Trustee, the Collateral Administrator, the Sole Arranger, the Initial Purchaser or the Issuer;

(e) agree that it shall promptly notify the Issuer, the Trustee, the Initial Purchaser, the Sole Arranger and the Collateral Administrator if for any reason it (i) ceases to hold the Retention Notes in accordance with paragraph (a) above or (ii) fails to comply with the covenants set out in paragraphs (a), (b) or (c) in any material way; and

(f) represent and warrant on the Issue Date that:

(i) it established the transaction described in this Prospectus and will, in its capacity as Collateral Manager, manage the Portfolio pursuant to and in accordance with the Transaction Documents; and

(ii) in relation to each BNP Originated Asset acquired by the Issuer on or before the Issue Date, it was involved itself or through related entities, directly or indirectly, in the original agreement which created the relevant Collateral Obligation, and it will continue to retain the Retention Notes pursuant to paragraph (a) above in its capacity as "**originator**".

In relation to the Retention Holder's eligibility to hold the risk retention, see "*Description of the Retention Holder*" above.

If the Collateral Manager is removed or resigns in accordance with the Collateral Management and Administration Agreement:

(x) the Retention Holder may transfer the Retention Notes to the successor Collateral Manager to the extent such transfer is permitted or required in accordance with the EU Retention Requirements and *provided that* such transfer would not cause the transaction described in this Prospectus to cease to be compliant with the EU Retention Requirements; or

(y) if such transfer of the Retention Notes to such successor Collateral Manager is not permitted pursuant to the EU Retention Requirements or would otherwise cause the transaction described in this Prospectus to cease to be compliant with the EU Retention Requirements, the Retention Holder shall continue to be bound by the provisions of the Retention Undertaking Letter in respect of the Retention Notes and such provisions shall not apply to such successor Collateral Manager.

The Retention Holder will not have any obligation to change the quantum, method or nature of its holding of the Retention Notes as a result of any changes to the EU Retention Requirements following the Issue Date or any other changes to regulations or the interpretation thereof, as a result of which the Issuer is considered an AIF following the Issue Date.

Prospective investors should consider the discussion in "*Risk Factors – Regulatory Initiatives*" above.

U.S. Credit Risk Retention

The information in this section "*U.S. Credit Risk Retention*" has been prepared by the Collateral Manager in its capacity as a "sponsor," as defined in the U.S. Risk Retention Rules, in order to satisfy the "sponsor's" disclosure obligations under the U.S. Risk Retention Rules. Except to the limited extent set forth under "*— Post-Closing Update*," no person has undertaken or is under any obligation, to update, revise, reaffirm or withdraw the information in this section. None of the Arranger, the Initial Purchaser, the Trustee, or any of their respective affiliates, or the Issuer (i) have participated in the preparation of the information in this section "*U.S. Credit Risk Retention*," (ii) have independently verified any of the statements in this section "*U.S. Credit Risk Retention*," (iii) are responsible for or making any representation concerning the accuracy or completeness of the information in this section "*U.S. Credit Risk Retention*" or (iv) assume responsibility or have liability for the contents in this section "*U.S. Credit Risk Retention*."

Pursuant to the U.S. Risk Retention Rules, the "sponsor" of a "securitization transaction" (or "majority-owned affiliate" of the sponsor) is required, unless an exemption exists, to retain at least a 5 per cent. economic interest in the credit risk of the assets collateralising a "securitization transaction" (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 "securitization 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 ("**EVI**") consisting of an interest of not less than 5 per cent. of each class of the "ABS interests" issued in a “securitization transaction”.

In order to comply with the U.S. Risk Retention Rules and satisfy the Minimum Risk Retention Requirement, on the Issue Date, it is expected that the Collateral Manager (as the "sponsor" under the U.S. Risk Retention Rules) will acquire and retain an EVI consisting of not less than 5 per cent. of the principal amount of the Notes of each Class issued by the Issuer on the Issue Date. The Collateral Manager has covenanted in the Collateral Management and Administration Agreement to comply in all material respects with all applicable laws (which includes compliance with the U.S. Risk Retention Rules). The material terms of the Notes comprising the EVI are described in this Prospectus.

In addition, the U.S. Risk Retention Rules impose limitations on the ability of the Collateral Manager to sell or hedge its risk with respect to the EVI. See also "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention*".

Post-Closing Update

If the amount of any Class of Notes held by the Retention Holder on the Issue Date after giving effect to the purchases described above is materially different than the amounts disclosed above, the Euro amount and percentage of each Class of Notes acquired by the Retention Holder will be provided to investors on or before the date that the first Monthly Report is delivered to holders of Notes after the Issue Date.

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.

1. INTRODUCTION

Pursuant to the Collateral Management and Administration Agreement, the Collateral Manager will be required to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described below. In addition, the Collateral Administrator will be required to perform certain calculations in relation to the Portfolio on behalf of the Issuer to the extent and in accordance with the information provided to it by the Collateral Manager.

2. ACQUISITION OF COLLATERAL OBLIGATIONS

The Collateral Manager will determine and will use reasonable endeavours to effect the acquisition by the Issuer of a portfolio of Senior Loans and Mezzanine Loans during the Initial Investment Period, the Reinvestment Period and thereafter (including, but not limited to, Collateral Obligations purchased pursuant to the Warehouse Arrangements). The Issuer anticipates that, by the Issue Date, it will have purchased or committed to purchase Collateral Obligations, the Aggregate Principal Balance of which is equal to at least €197.88 million, which is approximately 56.5 per cent. of the Target Par Amount (*provided that* any repayments or prepayments of any Collateral Obligation subsequent to the date of acquisition thereof and not subsequently reinvested shall be disregarded). The Issuer will use the net proceeds of the issuance of the Notes remaining after repayment to the relevant lender under the Warehouse Arrangements of the funding provided by them to finance the purchase of Collateral Obligations prior to the Issue Date (a) to pay certain fees and expenses and/or transfer funds to the Expense Reserve Account to meet such fees and expenses and (b) to acquire Collateral Obligations complying with the Eligibility Criteria during the Initial Investment Period and to fund the First Period Reserve Account on the Issue Date. The Collateral Manager acting on behalf of the Issuer shall use commercially reasonable endeavours to purchase Collateral Obligations with an Aggregate Principal Balance (together with Collateral Obligations previously acquired) equal to at least the Target Par Amount out of the Balance standing to the credit of the Unused Proceeds Account during the Initial Investment Period.

The Issuer does not expect and is not required to satisfy the Collateral Quality Tests, the Portfolio Profile Tests, the Coverage Tests or the Reinvestment Par Value Test prior to the Effective Date. The Collateral Manager may declare that the Initial Investment Period has ended and the Effective Date has occurred prior to the Payment Date in April 2018, 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 Collateral Manager (acting on behalf of the Issuer), *provided that* as at such date: (i) Rating Agency Confirmation has been received following delivery of the Effective Date Report (*provided that* if the Effective Date Moody's Condition is satisfied then such Rating Agency Confirmation shall be deemed to have been received from Moody's); and (ii) no more than 1.0 per cent. of the Collateral Principal Amount as of the Issue Date may be transferred to the Interest Account.

Within 10 Business Days following the Effective Date, the Collateral Administrator shall issue a report (the "**Effective Date Report**") containing the information required in a Monthly Report as at the Effective Date, confirming whether the Issuer has acquired or entered into a binding commitment to acquire Collateral Obligations having an Aggregate Principal Balance which equals or exceeds the Target Par Amount, copies of which shall be forwarded to the Issuer, the Trustee, the Initial Purchaser, the Collateral Manager, the Hedge Counterparties and the Rating Agencies (*provided that*, for the purposes of determining the Aggregate Principal Balance as provided above, (a) the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its Fitch Collateral Value, (b) obligations which are to constitute Collateral

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 Obligations as if such purchase had been completed and obligations in respect of which the Issuer has entered into a binding commitment to sell, but in respect of which such sale has not yet settled, shall be excluded from being Collateral Obligations as if such sale had been completed and (c) any repayments or prepayments of any Collateral Obligation subsequent to the date of acquisition thereof and not subsequently reinvested shall be disregarded). Within 15 Business Days following the Effective Date, the Issuer will provide, or cause the Collateral Manager to provide, to the Trustee and the Collateral Administrator an accountant's certificate confirming the Aggregate Principal Balance of all Collateral Obligations purchased or committed to be purchased as at the Effective Date and the computations and results of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests by reference to such Collateral Obligations.

The Collateral 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 20 Business Days following the Effective Date the Collateral Manager shall promptly notify Moody's. If (i) the Effective Date Determination Requirements are not satisfied as at the Effective Date and Rating Agency Confirmation has not been received in respect of such failure or (ii) the Collateral Manager (acting on behalf of the Issuer) does not present a Rating Confirmation Plan to the Rating Agencies or Rating Agency Confirmation is not received in respect of such Rating Confirmation Plan, an Effective Date Rating Event shall have occurred, *provided that* any downgrade or withdrawal of the Initial Ratings of the Rated Notes which is not directly related to a request for confirmation thereof or which occurs after confirmation thereof by the Rating Agencies shall not constitute an Effective Date Rating Event. If an Effective Date Rating Event has occurred and is continuing on the sixth Business Day prior to the next Payment Date 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 Payments, until the earlier of (x) the date on which an Effective Date Rating Event is no longer continuing and (y) the date on which the Rated Notes have been redeemed in full. The Collateral 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 Collateral 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 Obligations or Substitute Collateral Obligations and/or any other intended action which is intended to cause confirmation or reinstatement of the Initial Ratings. The Collateral Manager (acting on behalf of the Issuer) is under no obligation whatsoever to present a Rating Confirmation Plan to the Rating Agencies.

3. ELIGIBILITY CRITERIA

Each Collateral Obligation must, at the time of entering into a binding commitment to acquire such obligation by, or on behalf of, the Issuer (or, in the case of Issue Date Collateral Obligations acquired pursuant to the Warehouse Arrangements, on the Issue Date), satisfy the following criteria (the "**Eligibility Criteria**") as determined by the Collateral Manager in its reasonable discretion:

(a) it is a Secured Senior Loan, a DIP Loan, an Unsecured Senior Loan, a Mezzanine Loan or a Second Lien Loan;

(b) it is either (i) denominated in Euros and is not convertible into or payable in any other currency or (ii) other than in the case of a Revolving Obligation or a Delayed Drawdown Collateral Obligation, denominated in United States dollars, pounds sterling or any other lawful currency of a Qualifying Country and is not convertible into or payable in any other

currency and the Issuer, with effect from the date of acquisition thereof and conditional upon the satisfaction of the Hedging Condition, enters into a Currency Hedge Transaction with a notional amount in the relevant currency equal to the aggregate principal amount of such Non-Euro Obligation and otherwise complies with the requirements set out in respect of Non-Euro Obligations in the Collateral Management and Administration Agreement;

(c) it is not a Bond;

(d) it is not a Structured Finance Security or a Synthetic Security;

(e) it is not a Defaulted Obligation, a Credit Risk Obligation or Equity Security, including any obligation convertible into an Equity Security;

(f) it is not a lease (including, for the avoidance of doubt, a financial lease);

(g) it provides for a fixed amount of principal payable in cash on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortisation or prepayment in each case at a price of less than par;

(h) it is not a Fixed Rate Obligation;

(i) it is not a Zero Coupon Obligation

(j) it is not a Step-Up Coupon Obligation or Step-Down Coupon Obligation;

(k) it does not constitute Margin Stock;

(l) it is an obligation in respect of which, following the acquisition thereof by the Issuer by the selected method of transfer, payments to the Issuer will not be subject to direct tax on the basis of the situs of the obligation or the source of payments under it or to withholding tax imposed by any jurisdiction unless the Obligor is required to make "gross-up" payments to the Issuer or to indemnify the Issuer such that it covers the full amount of any such withholding or tax due on an after-tax basis, provided that this clause (m) shall not apply to commitment fees and other similar fees associated with Revolving Obligations or Delayed Drawdown Collateral Obligations, as well as with respect to amendment, waiver, consent and extension fees or withholding taxes under FATCA;

(m) other than in the case of DIP Loans, it is not an obligation which has a Moody's Rating of "Caa3" or lower or a Fitch Rating of "CCC-" or lower;

(n) it is not a debt obligation whose repayment is subject to substantial non-credit related risk, including catastrophe bonds or instruments whose repayment is conditional on the non-occurrence of certain catastrophes or similar events;

(o) 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 owed to the agent bank or security agent in relation to the performance of its duties under or in connection with a Collateral Obligation; (iv) which are associated with tax credits arising in connection with grossed-up payments made to the Issuer; (v) which may arise as a result of an undertaking to participate in a financial restructuring of a Collateral Obligation where such undertaking is contingent upon the redemption in full of such Collateral 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 Restructured Obligation Criteria and, for the avoidance of doubt, the Issuer is not liable to pay any amounts in respect of a Restructured Obligation; or (vi) which are Delayed Drawdown Collateral Obligations or Revolving Obligations, *provided that*, in respect of paragraph (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 Collateral Obligation;

(p) it will not require the Issuer or the pool of collateral to be registered as an investment company under the Investment Company Act;

(q) it is not a debt obligation that pays scheduled interest less frequently than annually (other than, for the avoidance of doubt, a PIK Obligation);

(r) it is not a debt obligation which pays interest only and does not require the repayment of principal;

(s) 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;

(t) the Collateral Obligation Stated Maturity thereof falls prior to the Maturity Date of the Notes;

(u) its acquisition by the Issuer will not result in the imposition of stamp duty, stamp duty reserve tax or similar tax or duty payable by the Issuer (or by any other person which may recover the same from the Issuer), unless such stamp duty or stamp duty reserve tax or similar tax or duty has been included in the purchase price of such Collateral Obligation;

(v) upon acquisition, the Collateral Obligation is both capable of being, and will be, the subject of a first fixed charge, a first priority security interest or comparable security arrangement having substantially the same effect in favour of the Trustee for the benefit of the Secured Parties;

(w) it is an obligation of an Obligor or Obligors Domiciled in a Qualifying Country (as determined by the Collateral Manager acting on behalf of the Issuer);

(x) it is not a Dutch Ineligible Security;

(y) 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;

(z) it is not an obligation of an Obligor or Obligors Domiciled in a country with a Moody's local currency country risk ceiling of "Baa1" or below;

(aa) it has not been called for, and is not subject to a pending, redemption;

(bb) it is capable of being sold, assigned or participated to, or held by, the Issuer, together with any associated security, without any breach of applicable selling restrictions or of any contractual provisions or of any legal or regulatory requirements and the Issuer does not require any authorisations, consents, approvals or filings (other than such as have been obtained or effected) as a result of or in connection with any such sale, assignment, participation or holding under any applicable law;

(cc) it is not an obligation in respect of which interest payments are scheduled to decrease (although interest payments may decrease due to unscheduled events such as a decrease of the index relating to a Collateral Obligation, the change from a default rate of interest to a non-default rate or an improvement in the Obligor's financial condition);

(dd) 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;

(ee) it is not a Project Finance Loan;

(ff) 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;

(gg) any change in the amount and/or timing of interest and principal payments pursuant to the relevant Underlying Instrument (for the avoidance of doubt, excluding any changes originally

envisaged in such Underlying Instrument) requires the consent of not less than 66.6 per cent. of lenders or holders, as applicable;

(hh) it is not an obligation of an Obligor that has a total original indebtedness of less than EUR100,000,000 (or its equivalent in any currency); and

(ii) it has a minimum purchase price of 60 per cent. of the Principal Balance of such Collateral Obligation.

Other than (i) Issue Date Obligations which must satisfy the Eligibility Criteria on the Issue Date and (ii) Restructured Obligations which must satisfy the Restructured Obligation Criteria on the applicable Restructuring Date, the subsequent failure of any Collateral Obligation to satisfy any of the Eligibility Criteria shall not prevent any obligation which would otherwise be a Collateral Obligation from being a Collateral Obligation so long as such obligation satisfied the Eligibility Criteria, when the Issuer or the Collateral Manager on behalf of the Issuer entered into a binding agreement to purchase such obligation.

4. RESTRUCTURED OBLIGATIONS

In the event a Collateral Obligation becomes a Restructured Obligation (as determined by the Issuer, assisted by the Collateral Manager) such obligation shall only constitute a Collateral Obligation for the purpose of the calculation of the Portfolio Profile Tests, Collateral Quality Tests, Coverage Tests, Reinvestment Par Value Test and all other tests and criteria applicable to the Portfolio at any time if such obligation satisfies the criteria (the "**Restructured Obligation Criteria**") in paragraphs (a), (b), (c), (d), (f), (g), (i), (k), (l), (n), (o), (p), (q), (r), (s), (u), (v), (w), (x), (y), (z), (aa), (bb), (cc), (dd), (ee), (ff), (gg). (hh) and (ii) of the Eligibility Criteria and has been assigned or otherwise has a Moody's Rating or a Fitch Rating, *provided that* in the case of an obligation which, as a result of such restructuring, would have a Collateral Obligation Stated Maturity falling on or after the Maturity Date (a "**Long-Dated Restructured Obligation**"), not more than 5.0 per cent. of the Aggregate Principal Balance (for which purpose, the Principal Balance of each Defaulted Obligation shall be the lower of its Moody's Collateral Value and its Fitch Collateral Value) shall consist of Long-Dated Restructured Obligations. In addition, the Issuer shall notify Moody's if any Restructured Obligation does not satisfy the criterion in paragraph (aa) of the Eligibility Criteria at the time it becomes a Restructured Obligation.

For the avoidance of doubt, a repayment of a Collateral Obligation in circumstances whereby the redemption proceeds are rolled as consideration for a new obligation (including by way of a "cashless roll") shall be treated as the acquisition by the Issuer of a new Collateral Obligation and not as the acquisition of a Restructured Obligation.

5. MANAGEMENT OF THE PORTFOLIO

5.1. Overview

The Collateral 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 Collateral Management and Administration Agreement and subject to the overall supervision and control of the Issuer. The duties of the Collateral Manager, subject to the Standard of Care in, and the other provisions of, the Collateral Management and Administration Agreement, with respect to the Portfolio include (amongst others) the use of reasonable endeavours to:

(i) purchase Collateral Obligations in accordance with the criteria set out in the Collateral Management and Administration Agreement;

(ii) invest the amounts standing to the credit of the Accounts (other than the Counterparty Downgrade Collateral Accounts, the Unfunded Revolver Reserve Account and the Payment Account) in Eligible Investments; and

(iii) sell certain of the Collateral Obligations and reinvest the Principal Proceeds received from such sale or from repayments on such Collateral Obligations in Substitute Collateral Obligations in accordance with the criteria set out in the Collateral Management and Administration Agreement.

The Collateral Manager is required to monitor the Collateral Obligations with a view to seeking to determine whether any Collateral 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 as provided in the Collateral Management and Administration Agreement. No Noteholder shall have any recourse against any of the Issuer, the Collateral Manager, the Collateral Administrator, any other Agent or the Trustee for any loss suffered as a result of such failure.

The Collateral Manager (acting on behalf of the Issuer) is permitted, in certain circumstances and subject to certain requirements, to sell Collateral Obligations and Exchanged Equity Securities and to reinvest the Sale Proceeds (other than accrued interest on such Collateral Obligations included in Interest Proceeds by the Collateral Manager) thereof in Substitute Collateral Obligations. The Collateral Manager shall notify the Collateral Administrator of all necessary details of the Collateral Obligation or Exchanged Equity Security to be sold and the proposed additional Collateral Obligation or Substitute Collateral 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 Collateral Manager of the reasons and the extent to which such criteria are not so satisfied.

The Collateral Manager will determine and will use reasonable endeavours to cause to be purchased by the Issuer Collateral Obligations (including all additional Collateral Obligations or Substitute Collateral Obligations), taking into account the Eligibility Criteria and, where applicable, the Reinvestment Criteria, and will monitor the performance of the Collateral Obligations on an ongoing basis to the extent practicable using sources of information reasonably available to it and *provided that* the Collateral Manager shall not be responsible for determining whether or not the terms of any individual Collateral Obligation have been observed.

The activities referred to below that the Collateral Manager may undertake on behalf of the Issuer are subject to the Issuer's monitoring of the performance of the Collateral Manager under the Collateral Management and Administration Agreement.

5.2. Sale of Assets pursuant to Volcker Rule

The Collateral Manager on behalf of the Issuer will use its commercially reasonable efforts to effect the sale or other disposition, within a commercially reasonable timeframe, of any Collateral Obligation the Issuer's continued ownership of which would, in the reasonable determination of the Collateral Manager (as determined in accordance with the provisions of the Collateral Management and Administration Agreement), cause the Issuer to be a "covered fund" under the Volcker Rule.

5.3. Sale of Issue Date Collateral Obligations

The Collateral Manager, acting on behalf of the Issuer, shall sell any Non-Eligible Issue Date Collateral Obligation. Any Sale Proceeds received in connection therewith may be reinvested in Substitute Collateral Obligations satisfying the Eligibility Criteria or credited to the Principal Account pending such reinvestment.

5.4. Terms and Conditions applicable to the Sale of Credit Risk Obligations, Credit Improved Obligations, Defaulted Obligations and Equity Securities

Credit Risk Obligations, Credit Improved Obligations and Defaulted Obligations may be sold at any time by the Collateral Manager (acting on behalf of the Issuer), subject to, within the Collateral Manager's knowledge (without the need for inquiry or investigation), no Event of Default having occurred which is continuing.

The Collateral Manager shall use commercially reasonable endeavours to effect the sale of any Equity Securities in the Portfolio.

5.5. Terms and Conditions applicable to the Sale of Exchanged Equity Securities

Any Exchanged Equity Security may be sold at any time by the Collateral Manager in its discretion (acting on behalf of the Issuer), subject to, within the Collateral Manager's knowledge (without the need for inquiry or investigation), no Event of Default having occurred which is continuing.

In addition to any discretionary sale of Exchanged Equity Securities as provided above, the Collateral Manager shall be required by the Issuer to use commercially reasonable endeavours 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), unless such sale is prohibited by applicable law, in which case such Equity Security shall be sold as soon as such sale is permitted by applicable law.

5.6. Discretionary Sales

The Issuer or the Collateral Manager (acting on behalf of the Issuer) may dispose of any Collateral Obligation (other than a Credit Improved Obligation, a Credit Risk 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:

(a) no Event of Default has occurred which is continuing (in the case of the Collateral Manager, to its knowledge, without the need for inquiry or investigation);

(b) after giving effect to such sale, the Aggregate Principal Balance outstanding of all Collateral Obligations sold as described in this paragraph (b) during the preceding 12 calendar months (or, for the first 12 calendar months after the Issue Date, during the period commencing on the Issue Date) is not greater than 30 per cent. of the Collateral Principal Amount as of the first day of such 12 calendar month period (or as of the Issue Date, as the case may be); and

(c) either:

(i) during the Reinvestment Period, the Collateral 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 Substitute Collateral Obligations within 30 days after the settlement of such sale in accordance with the Reinvestment Criteria; or

(ii) at any time, either: (1) the Sale Proceeds from such sale are at least equal to the Investment Criteria Adjusted Balance of such Collateral Obligation; or (2) after giving effect to such sale, the Collateral Principal Amount (excluding the Collateral Obligation being sold but including, without duplication, the expected Sale Proceeds of such sale and, for which purpose, the Principal Balance of each Defaulted Obligation shall be the lower of its Market Value, its Fitch Recovery Rate and its Moody's Recovery Rate in each case multiplied by its Principal Balance) 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.

5.7. Restricted Trading Period

The Issuer or the Collateral Manager (acting on its behalf) shall promptly notify Fitch and Moody's upon the occurrence of a Restricted Trading Period.

5.8. Sale of Collateral Prior to Maturity Date

In the event of:

(a) any redemption of the Rated Notes in whole prior to the Maturity Date;

(b) receipt of notification from the Trustee of enforcement of the security over the Collateral; or

(c) the purchase of Notes of any Class by the Issuer,

the Collateral Manager (acting on behalf of the Issuer) will (in the case of (b), if requested by the Trustee following the enforcement of such security), as far as reasonably practicable, arrange for liquidation of the Collateral (or, in the case of (c), such of the Collateral as is required to fund the relevant purchase of Notes) in order to procure that the proceeds thereof are in immediately available funds by the Business Day prior to the applicable Redemption Date, date of sale of all or part of the Portfolio or purchase date, as applicable, in accordance with Condition 7 (*Redemption and Purchase*) and clause 6 (*Realisation of Collateral*) of the Collateral Management and Administration Agreement but without regard to the limitations set out in clause 5 (*Sale and Reinvestment of Portfolio Assets*) and Schedule 5 (*Reinvestment Criteria*) of the Collateral Management and Administration Agreement (but subject to any limitations or restrictions set out in the Conditions and the Trust Deed).

5.9. Sale of Assets which do not Constitute Collateral Obligations

In the event that an asset did not satisfy the Eligibility Criteria on the date it was required to do so in accordance with the Collateral Management and Administration Agreement, the Collateral Manager shall use commercially reasonable endeavours to sell such asset. Such proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria.

5.10. Unsaleable Assets

After the Reinvestment Period, at the direction and discretion of the Collateral Manager and at the expense of the Issuer, the Collateral Manager may conduct an auction of Unsaleable Assets in accordance with the following procedures.

The Collateral Manager shall notify the Issuer, the Collateral Administrator and the Principal Paying Agent of its intention to conduct such auction, and promptly after receipt of such direction, the Trustee will provide notice (in such form as is prepared by the Collateral Manager) to the Noteholders (and, for so long as any Notes rated by a Rating Agency are Outstanding, such Rating Agency) of such auction, setting forth in reasonable detail a description of each Unsaleable Asset and the following auction procedures:

(a) any Noteholder may submit a written bid to purchase one or more Unsaleable Assets no later than the date specified in the auction notice (which will be at least 15 Business Days after the date of such notice);

(b) each bid must include an offer to purchase for a specified amount of cash on a proposed settlement date no later than 20 Business Days after the date of the auction notice;

(c) if no Noteholder submits such a bid, unless delivery in kind is not legally or commercially practicable, the Issuer will provide notice thereof to each Noteholder and offer to deliver (at no cost) a *pro rata* portion of each unsold Unsaleable Asset to the Noteholders of the most senior Class Outstanding that provide delivery instructions to the Issuer on or before the date specified in such notice, subject to minimum denominations. To the extent that minimum denominations do not permit a *pro rata* distribution, the Collateral Manager will identify and the Issuer will distribute the Unsaleable Assets on a *pro rata* basis to the extent possible and the Collateral Manager will select by lottery the Noteholder to whom the remaining amount will be delivered. The Issuer will use commercially reasonable efforts to effect delivery of such interests. For the avoidance of doubt, any such delivery to the Noteholders will not

operate to reduce the Principal Amount Outstanding of the related Class of Notes held by such Noteholder; and

(d) if no such Noteholder provides delivery instructions to the Issuer, the Issuer will promptly notify the Collateral Manager and offer to deliver (at no cost) the Unsaleable Asset to the Collateral Manager. If the Collateral Manager declines such offer, the Issuer will take such action as directed by the Collateral Manager (on behalf of the Issuer) to dispose of the Unsaleable Asset, which may be by donation to a charity, abandonment or other means.

"**Unsaleable Assets**" means (a)(i) a Defaulted Obligation, (ii) an Equity Security or (iii) an obligation received in connection with an Offer, in a restructuring or plan of reorganisation with respect to the obligor, in each case, in respect of which the Issuer has not received a payment in cash during the preceding 12 months or (b) any Collateral Obligation or Eligible Investment identified in an officer's certificate of the Collateral Manager as having the product of its Principal Balance and Market Value less than €1,000, in the case of each of (a) and (b) with respect to which the Collateral Manager certifies to the Trustee that (x) it has made commercially reasonable efforts to dispose of such obligation for at least 90 days and (y) in its commercially reasonable judgement such obligation is not expected to be saleable in the foreseeable future.

5.11. Reinvestment of Collateral Obligations

During the Reinvestment Period

During the Reinvestment Period, the Collateral Manager (acting on behalf of the Issuer) may, at its discretion, reinvest any Principal Proceeds in the purchase of Substitute Collateral Obligations satisfying the Eligibility Criteria *provided that* immediately after entering into a binding commitment to acquire such Substitute Collateral Obligation and taking into account existing commitments, the criteria set out below must be satisfied:

(a) to the Collateral Manager's knowledge (without the need for inquiry or investigation), no Event of Default has occurred that is continuing at the time of such purchase, *provided however that* any such reinvestment may be effected notwithstanding the occurrence and continuance of an Event of Default if (i) such reinvestment would not, in the opinion of the Trustee, be materially prejudicial to the interests of the holders of any Class of Notes or (ii) the Controlling Class has consented to such reinvestment by way of an Ordinary Resolution;

(b) such obligation is a Collateral Obligation;

(c) on and after the Effective Date (or, in the case of the Interest Coverage Tests, the Determination Date immediately preceding the second Payment Date) the Coverage Tests are satisfied or if as calculated immediately prior to any purchase of a Substitute Collateral Obligation any Coverage Test was not satisfied, the coverage ratio relating to such test will be maintained or improved after giving effect to such reinvestment (other than with respect to the reinvestment of any proceeds received upon the sale of, or as a recovery on, any Defaulted Obligation, which proceeds may only be reinvested if the Coverage Tests will be satisfied immediately following such reinvestment);

(d) in the case of a Substitute Collateral Obligation purchased with Sale Proceeds of a Credit Risk Obligation or a Defaulted Obligation, either:

(i) the Investment Criteria Adjusted Balance of all Substitute Collateral Obligations purchased with such Sale Proceeds shall at least equal such Sale Proceeds;

(ii) the Aggregate Principal Balance of the Collateral Obligations will be maintained or increased when compared to the Aggregate Principal Balance of the Collateral Obligations immediately prior to such sale; or

(iii) the sum of: (A) the Aggregate Principal Balance of all Collateral Obligations (excluding each Collateral Obligation being sold but including, without duplication, each Substitute Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Obligation and, for which purpose, the Principal Balance of each Defaulted Obligation shall be the lower of its Moody's Collateral Value and its Fitch Collateral Value); and (B) the amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments (save for interest accrued on such Eligible Investments) acquired with cash standing to the credit of such Accounts) are equal to or greater than the Reinvestment Target Par Balance;

(e) either: (A) each of the Portfolio Profile Tests and the Collateral Quality Tests will be satisfied; or (B) if any of the Portfolio Profile Tests or Collateral Quality Tests as calculated immediately prior to the purchase of the relevant Substitute Collateral Obligation are not satisfied such tests will be maintained or improved after giving effect to such reinvestment; and

(f) with respect to the reinvestment of Sale Proceeds (other than Sale Proceeds from Credit Risk Obligations, Defaulted Obligations and Exchanged Equity Securities), either:

(i) the Aggregate Principal Balance of all Collateral Obligations shall be maintained or increased when compared with the Aggregate Principal Balance of the Collateral Obligations immediately prior to such sale; or

(ii) the sum of: (A) the Aggregate Principal Balance of all Collateral Obligations (excluding each Collateral Obligation being sold but including, without duplication, each Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Obligations and, for which purpose, the Principal Balance of each Defaulted Obligation shall be the lower of its Moody's Collateral Value and its Fitch Collateral Value); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments (save for interest accrued on such Eligible Investments) acquired with cash standing to the credit of such Accounts) is equal to or greater than the Reinvestment Target Par Balance,

provided that, for the avoidance of doubt, with respect to any Collateral Obligations for which the trade date has occurred during the Reinvestment Period but which settle after such date, the purchase of such Collateral Obligations shall be treated as a purchase made during the Reinvestment Period for purposes of the Trust Deed.

Following the Expiry of the Reinvestment Period

Following the expiry of the Reinvestment Period, Sale Proceeds, from the sale of Credit Risk Obligations and Credit Improved Obligations and Unscheduled Principal Proceeds only, may be reinvested by the Collateral Manager (acting on behalf of the Issuer) in one or more Substitute Collateral Obligations satisfying the Eligibility Criteria, in each case *provided that*:

(a) the sum of the Aggregate Principal Balance of Substitute Collateral Obligations and all such Sale Proceeds and Unscheduled Principal Proceeds standing to the credit of the Principal Account equals or exceeds (i) the Aggregate Principal Balance of the related Collateral Obligations that produced such Unscheduled Principal Proceeds or (ii) the amount of Sale Proceeds of such Credit Risk Obligation or Credit Improved Obligation, as the case may be;

(b) the Fitch Weighted Average Rating Factor of the Substitute Collateral Obligations is equal to or less than, and the Fitch Weighted Average Recovery Rate of the Substitute Collateral Obligations is equal to or greater than, in each case, the Fitch Weighted Average Rating Factor and the Fitch Weighted Average Recovery Rate of the related Collateral Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds, as the case may be;

(c) the Moody's Maximum Weighted Average Rating Factor Test is satisfied immediately after giving effect to such reinvestment;

(d) a Restricted Trading Period is not currently in effect;

(e) either: (i) each of the Portfolio Profile Tests and the Collateral Quality Tests (except the Moody's Maximum Weighted Average Rating Factor Test, the Weighted Average Life Test and paragraphs (i) and (j) of the Portfolio Profile Tests) 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 maintained or improved after giving effect to such reinvestment;

(f) each of the Coverage Tests are satisfied both before and after giving effect to such reinvestment;

(g) to the Collateral Manager's knowledge (without the need for inquiry or investigation), no Event of Default has occurred that is continuing at the time of such purchase, *provided however that* any such reinvestment may be effected notwithstanding the occurrence or a continuance of an Event of Default if (i) such reinvestment would not, in the opinion of the Trustee, be materially prejudicial to the interests of the holders of any Class of Notes or (ii) the Controlling Class has consented to such reinvestment by way of an Ordinary Resolution;

(h) the Collateral Obligation Stated Maturity of each Substitute Collateral Obligation is the same as or earlier than the Collateral Obligation Stated Maturity of the Collateral Obligation that produced such Unscheduled Principal Proceeds or Sale Proceeds;

(i) after giving effect to the reinvestment, not more than 7.5 per cent. of the Collateral Principal Amount (for the purposes of calculating the Collateral Principal Amount for this paragraph (i), each Defaulted Obligation shall be deemed to have a Principal Balance equal to its Fitch Collateral Value) will consist of obligations which are Fitch CCC Obligations;

(j) after giving effect to the reinvestment, not more than 7.5 per cent. of the Collateral Principal Amount (for the purposes of calculating the Collateral Principal Amount for this paragraph (j), each Defaulted Obligation shall be deemed to have a Principal Balance equal to its Moody's Collateral Value) will consist of obligations which are Moody's Caa Obligations; and

(k) the Weighted Average Life Test is satisfied immediately after giving effect to such reinvestment.

Following the expiry of the Reinvestment Period, any Unscheduled Principal Proceeds and any Sale Proceeds from the sale of Credit Risk Obligations and Credit Improved Obligations that have not been reinvested as provided above prior to the end of the Due Period in which such proceeds were received shall be paid into the Principal Account and disbursed in accordance with the Principal Priority of Payments on the following Payment Date (subject as provided at the end of this paragraph), save that the Collateral Manager (acting on behalf of the Issuer) may in its discretion procure that Unscheduled Principal Proceeds and Sale Proceeds from the sale of any Credit Risk Obligations and Credit Improved Obligations are paid into the Principal Account and designated for reinvestment in Substitute Collateral Obligations, in which case such Principal Proceeds shall not be so disbursed in accordance with the Principal Priority of Payments for so long as they remain so designated for reinvestment but for no longer than the end of the following Due Period; *provided that* where any of the applicable Reinvestment Criteria are not satisfied as of the Payment Date next following receipt of such Sale Proceeds of Credit Risk Obligations and Credit Improved Obligations or Unscheduled Principal Proceeds, all such funds shall be paid into the Principal Account and disbursed in accordance with the Principal 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.

5.12. Amendments to Collateral Obligations

The Issuer (or the Collateral 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 Collateral Obligation Stated Maturity of the Collateral Obligation that is the subject of such Maturity Amendment is not later than the Maturity Date of the Rated Notes; and

(b) the Weighted Average Life Test is satisfied after giving effect to such Maturity Amendment after giving effect to any Trading Plan in effect during the applicable Trading Plan Period.

For the avoidance of doubt, the requirements specified above with respect to Maturity Amendments shall not apply to a Credit Restructuring Amendment. If, in respect of a Collateral Obligation, a Credit Restructuring Amendment has been effected in a manner which results in the Collateral Obligation Stated Maturity of such Collateral Obligation being extended in circumstances where, if such Credit Restructuring Amendment was a Maturity Amendment, the requirements specified above would be contravened, the Issuer (or the Collateral Manager on its behalf) may, but shall not be required to, sell such Collateral Obligation, *provided that* in any event the Issuer (or the Collateral Manager on its behalf) shall dispose of such Collateral Obligation prior to the Maturity Date. The proceeds of such sale constitute Sale Proceeds and may be reinvested subject to and in accordance with the Reinvestment Criteria.

5.13. Expiry of the Reinvestment Criteria Certification

Immediately preceding the end of the Reinvestment Period, the Collateral Manager will deliver to the Trustee and the Collateral Administrator a schedule of Collateral 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 Obligations for which the trade date has already occurred but the settlement date has not yet occurred) to effect the settlement of such Collateral Obligations.

5.14. Reinvestment Par Value Test

If, on any Measurement 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) through (V) (inclusive) of the Interest Priority of Payments, the Reinvestment Par Value Test has not been satisfied, then on the related Payment Date, Interest Proceeds shall be paid to the Principal Account to be applied for the purpose of the acquisition of additional Collateral Obligations in an amount equal to the lesser of (1) 50.0 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) through (V) (inclusive) of the Interest Priority of Payments, would be sufficient to cause the Reinvestment Par Value Test to be satisfied.

5.15. Designation for Reinvestment

After the expiry of the Reinvestment Period, the Collateral Manager shall, one Business Day prior to each Determination Date, notify the Issuer and the Collateral Administrator in writing of all Principal Proceeds which the Collateral Manager determines in its discretion (acting on behalf of the Issuer, and subject to the terms of the Collateral Management and 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 Payments.

The Collateral Manager (acting on behalf of the Issuer) may direct that the proceeds of sale of any Collateral Obligation which represents accrued interest be designated as Interest Proceeds and paid

into the Interest Account save for: (i) Purchased Accrued Interest; and (ii) any interest received in respect of a Defaulted Obligation other than Defaulted Obligation Excess Amounts.

5.16. Accrued Interest

Amounts included in the purchase price of any Collateral 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 Collateral Manager (acting on behalf of the Issuer) but subject to the terms of the Collateral Management and Administration Agreement and Condition 3(k) (*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 Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Obligation (including, in respect of a Mezzanine Loan, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Loan 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.

5.17. 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 Obligations on any day in the event that such Collateral 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 Collateral Manager acting in a commercially reasonable manner, any proposed investment (whether a single Collateral Obligation or a group of Collateral Obligations) identified by the Collateral 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 10 Business Days following the date of determination of such compliance (such period, the "**Trading Plan Period**"); *provided that*: (i) no Trading Plan may result in the purchase of Collateral Obligations having an Aggregate Principal Balance that exceeds 5.0 per cent. of the Collateral Principal Amount (for which purpose the Principal Balance of each Defaulted Obligation shall be the lower of its Fitch Collateral Value and its Moody's Collateral Value) as of the first day of the Trading Plan Period; (ii) no Trading Plan Period may include a Payment Date; (iii) no more than one Trading Plan may be in effect at any time during a Trading Plan Period; and (iv) if the Reinvestment Criteria are satisfied prospectively after giving effect to a Trading Plan, but are not satisfied upon the completion of the Trading Plan, Rating Agency Confirmation from Moody's is obtained with respect to the effectiveness of the next Trading Plan (it being understood that Rating Agency Confirmation from Moody's shall only be required once following any failure of a Trading Plan); provided that no Trading Plan may result in the averaging of the purchase price of a Collateral Obligation or Collateral Obligations purchased at separate times for purposes of determining whether any particular Collateral Obligation is a Discount Obligation. For the avoidance of doubt, compliance with the Reinvestment Criteria upon completion of a Trading Plan pursuant to (iv) above shall be calculated with respect to those Collateral 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.

5.18. Eligible Investments

The Issuer or the Collateral 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 Accounts and the Payment Account). For the avoidance of doubt, Eligible Investments may be sold by the Issuer or the Collateral Manager (acting on behalf of the Issuer) at any time.

5.19. Collateral Enhancement Obligations

The Collateral Manager (acting on behalf of the Issuer) may, subject to paragraph (b) of the definition of Collateral Enhancement Obligation, from time to time, purchase Collateral Enhancement Obligations independently or as part of a unit with the Collateral Obligations being so purchased.

All funds required in respect of the purchase price of any Collateral Enhancement Obligations, and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of the balance standing to the credit of the Supplemental Reserve Account at the relevant time (including the proceeds from additional issuances of Subordinated Notes pursuant to Condition 17(b) (*Additional Issuances*)) or by means of a Collateral Manager Advance. Pursuant to Condition 3(k)(vi) (*Supplemental Reserve Account*), such Balance shall be comprised of all sums deposited therein from time to time which will comprise amounts which the Collateral Manager acting on behalf of the Issuer determines shall be paid into the Supplemental Reserve Account pursuant to the Priorities of Payments.

Collateral Enhancement Obligations may be sold at any time and all Collateral Enhancement Obligation Proceeds received by the Issuer shall be deposited into the Supplemental Reserve Account.

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

5.20. Exercise of Warrants and Options

The Issuer may, provided the Permitted Securities Condition is satisfied or the Issuer received them in the ordinary course of the workout, foreclosure or collection of a debt previously contracted in good faith, exercise a warrant or option attached to a Collateral Obligation or comprised, subject to paragraph (b) of the definition of Collateral Enhancement Obligation, in a Collateral Enhancement Obligation.

5.21. Margin Stock

The Collateral Management and Administration Agreement requires that the Collateral Manager, on behalf of the Issuer, shall use reasonable endeavours to sell any Collateral Obligation, Exchanged Equity Security or Collateral Enhancement Obligation which is or at any time becomes Margin Stock as soon as practicable following such event.

5.22. Revolving Obligations and Delayed Drawdown Collateral Obligations

The Collateral Manager acting on behalf of the Issuer may acquire Collateral Obligations which are Revolving Obligations or Delayed Drawdown Collateral Obligations from time to time.

Such Revolving Obligations and Delayed Drawdown Collateral 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 Obligation will, pursuant to its terms, require the Issuer to make one or more future advances or other extensions of credit (including extensions of credit made on an unfunded basis pursuant to which the Issuer may be required to reimburse the provider of a guarantee or other ancillary facilities made available to the Obligor thereof in the event of any default by the Obligor thereof in respect of its reimbursement obligations in connection therewith). Such Revolving Obligations and Delayed Drawdown Collateral 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 Obligations, the Issuer shall deposit into the 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 Obligations. To the extent required, the Issuer, or the Collateral Manager acting on its behalf, may direct that amounts standing to the credit of the

Unfunded Revolver Reserve Account be deposited with a third party from time to time as collateral for any reimbursement or indemnification obligations owed by the Issuer to any other lender in connection with a Revolving Obligation or a Delayed Drawdown Collateral Obligation, as applicable and upon receipt of an Issuer Order (as defined in the Collateral Management and Administration Agreement) the Trustee shall be deemed to have released such amounts from the security granted thereover pursuant to the Trust Deed.

5.23. Assignments

The Collateral Manager acting on behalf of the Issuer may from time to time acquire Collateral Obligations from Selling Institutions by way of Assignment *provided that* at the time such Assignment is acquired, the Collateral 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 Underlying Instrument for such Collateral Obligation (including, without limitation, with respect to the form of such Assignment and obtaining the consent of any person specified in the relevant Underlying Instrument).

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

5.24. Participations

The Collateral Manager acting on behalf of the Issuer may from time to time acquire Collateral Obligations from Selling Institutions by way of Participation *provided that* at the time such Participation is taken:

(a) the percentage of the Collateral Principal Amount 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 Collateral Principal Amount 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 Obligation.

Each Participation entered into pursuant to a sub-participation agreement shall be substantially in the form of:

(i) the LSTA Model Participation Agreement for par/near par trades (as published by the Loan Syndications and Trading Association Inc. from time to time);

(ii) the LMA Funded Participation (Par) (as published by the Loan Market Association from time to time); or

(iii) such other documentation provided such agreement contains limited recourse and non-petition language substantially the same as that set out in the Trust Deed.

5.25. Bivariate Risk Table

The following is the bivariate risk table (the "**Bivariate Risk Table**") as referred to in "*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 Credit Exposure**") and the applicable percentage limits shall be determined by reference to the lower of the

Fitch or Moody's long term credit ratings applicable to such counterparty. The aggregate third party credit exposure limit shall be determined by reference to the aggregate of 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.

Bivariate Risk Table

Long-Term Issuer Credit Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*
Moody's		
Aaa	20%	20%
Aa1	10%	20%
Aa2	10%	20%
Aa3	10%	15%
A1	5%	10%
A2 and P-1	5%	5%
A3 or below	0%	0%
Fitch		
AAA	20%	20%
AA+	10%	20%
AA	10%	20%
AA-	10%	15%
A+	5%	10%
A	5%	5%
A- or below	0%	0%

*As a percentage of the Collateral Principal Amount (for which purposes, in respect of the Moody's percentages, the Principal Balance of each Defaulted Obligation shall be its Moody's Collateral Value and in respect of the Fitch percentages, the Principal Balance of each Defaulted Obligation shall be its Fitch Collateral Value).

6. PORTFOLIO PROFILE TESTS AND COLLATERAL QUALITY TESTS

6.1. Measurement of Tests

The Portfolio Profile Tests and the Collateral Quality Tests will be used as criteria for purchasing Collateral Obligations. The Collateral Administrator will measure the Portfolio Profile Tests and the Collateral Quality Tests on each Measurement Date (save as otherwise provided herein).

Additional Collateral Obligations or Substitute Collateral Obligations in respect of which a binding commitment has been made to purchase such additional Collateral Obligations or Substitute Collateral Obligations but such purchase has not been settled shall nonetheless be deemed to have been purchased for the purposes of the Portfolio Profile Tests, the Collateral Quality Tests, the Coverage Tests, the Reinvestment Par Value Test and all other tests and criteria applicable to the Portfolio. Collateral Obligations in respect of which a binding commitment has been made to sell such Collateral Obligations, but such sale has not been settled, shall be deemed to have been sold for the purposes of the Portfolio Profile Tests, the Collateral Quality Tests, the Coverage Tests, the Reinvestment Par Value Test and all other tests and criteria applicable to the Portfolio. See "*Reinvestment of Collateral 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 Obligation from being a Collateral Obligation.

6.2. Portfolio Profile Tests

The Portfolio Profile Tests will consist of each of the following:

(a) not less than 95.0 per cent. of the Collateral Principal Amount shall consist of obligations which are Secured Senior Loans (which term, for the purposes of this paragraph (a), 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, including Eligible Investments acquired with such Balances (excluding accrued interest thereon), in each case as at the relevant Measurement Date);

(b) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of Unsecured Senior Loans, Second Lien Loans and/or Mezzanine Loans in aggregate;

(c) (i) in the case of all Collateral Obligations, not more than 2.0 per cent. of the Collateral Principal Amount shall be the obligation of any single Obligor, *provided that* not more than three Obligors may each represent up to 2.5 per cent. of the Collateral Principal Amount (ii) in the case of Secured Senior Loans, not more than 2.0 per cent. of the Collateral Principal Amount shall be the obligation of any single Obligor, *provided that* not more than three Obligors may each represent up to 2.5 per cent. of the Collateral Principal Amount and (iii) in the case of Collateral Obligations which are not Secured Senior Loans, not more than 2.0 per cent. of the Collateral Principal Amount shall be the obligation of any single Obligor;

(d) not more than 22.5 per cent. of the Collateral Principal Amount shall in aggregate consist of obligations of the 10 largest Obligors;

(e) not more than 20.0 per cent. of the Collateral Principal Amount shall consist of Non-Euro Obligations (conditional upon a corresponding Currency Hedge Transaction being entered into by the Issuer);

(f) not more than 20.0 per cent. of the Collateral Principal Amount shall consist of Participations;

(g) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of Current Pay Obligations;

(h) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of obligations which are Revolving Obligations or Delayed Drawdown Collateral Obligations;

(i) not more than 7.5 per cent. of the Collateral Principal Amount (for the purposes of calculating the Collateral Principal Amount for this paragraph (i), each Defaulted Obligation shall be deemed to have a Principal Balance equal to its Fitch Collateral Value) shall consist of obligations with a Fitch Rating of "CCC+" or lower;

(j) not more than 7.5 per cent. of the Collateral Principal Amount (for the purposes of calculating the Collateral Principal Amount for this paragraph (j), each Defaulted Obligation shall be deemed to have a Principal Balance equal to its Moody's Collateral Value) shall consist of obligations with a Moody's Rating of "Caa1" or lower;

(k) not more than 2.5 per cent. of the Collateral Principal Amount shall consist of Bridge Loans;

(l) not more than 3.0 per cent. of the Collateral Principal Amount shall consist of DIP Loans;

(m) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of obligations which are PIK Obligations;

(n) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of obligations which pay scheduled interest less frequently than semi-annually (other than, for the avoidance of doubt, PIK Obligations);

(o) (i) the largest Fitch Industry Category may comprise up to 17.5 per cent. of the Collateral Principal Amount, (ii) the second largest Fitch Industry Category may comprise up to 15 per cent. of the Collateral Principal Amount and (iii) the three largest Fitch Industry Categories may together comprise up to 40.0 per cent. of the Collateral Principal Amount;

(p) not more than 10.0 per cent. of the Collateral Principal Amount shall consist of obligations whose Moody's Rating is derived from an S&P rating;

(q) not more than 10.0 per cent. of the Collateral Principal Amount shall consist of Obligors who are Domiciled in countries or jurisdictions with a country ceiling below "AAA" by Fitch unless Rating Agency Confirmation from Fitch is obtained;

(r) not more than 10.0 per cent. of the Collateral Principal Amount shall consist of Obligors who are Domiciled in countries with a Moody's local currency country risk ceiling between "A1" and "A3";

(s) not more than 20.0 per cent. of the Collateral Principal Amount shall consist of Cov-Lite Loans;

(t) not more than 10.0 per cent. of the Collateral Principal Amount shall consist of Obligors with a total original indebtedness of less than EUR200,000,000 (or its equivalent in any currency as at the relevant date of determination); and

(u) not more than 20.0 per cent. of the Collateral Principal Amount shall consist of Discount Obligations.

The percentage requirements applicable to different types of Collateral Obligations specified in the Portfolio Profile Tests shall be determined by reference to the Aggregate Principal Balance of such type of Collateral Obligations, excluding Defaulted Obligations. Obligations for which the Issuer (or the Collateral 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 and obligations for which the Issuer (or the Collateral Manager acting on behalf of the Issuer) has entered into binding commitments to sell, but have not yet settled, shall be excluded for the purposes of the Portfolio Profile Tests.

"**Fitch Industry Category**" means each of the categories listed below plus any other industry category published by Fitch minus any industry category which is no longer used by Fitch at the relevant point in time:

- Telecommunications
- Broadcasting and media
- Cable
- Aerospace and defence
- Automobiles
- Building and materials
- Chemicals
- Industrial and manufacturing
- Metals and mining
- Packaging and containers
- Paper and forest products
- Real estate
- Transportation and distribution
- Consumer products
- Computer and electronics
- Environmental services
- Farming and agricultural services
- Food, beverage and tobacco
- Retail food and drug
- Gaming and leisure and entertainment
- Retail
- Healthcare
- Lodging and restaurants
- Pharmaceuticals
- Textiles and furniture
- Energy oil and gas
- Utilities power
- Banking and finance
- Business services

7. COLLATERAL QUALITY TESTS

The Collateral Quality Tests will consist of each of the following:

(a) so long as any Notes rated by Moody's are Outstanding:

(i) the Moody's Minimum Diversity Test;

(ii) the Moody's Minimum Weighted Average Recovery Rate Test;

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

(iv) the Moody's Minimum Weighted Average Floating Spread Test;

(b) so long as any Notes rated by Fitch are Outstanding:

(i) the Fitch Maximum Weighted Average Rating Factor Test;

(ii) the Fitch Minimum Weighted Average Recovery Rate Test; and

(iii) the Fitch Minimum Weighted Average Spread Test;

(c) so long as any Rated Notes are Outstanding, the Weighted Average Life Test,

each as defined in the Collateral Management and Administration Agreement.

The Principal Balance of Defaulted Obligations shall be excluded for the purposes of calculating the Collateral Quality Tests.

7.1. Moody's Test Matrix

Subject to the provisions provided below, on or after the Effective Date, the Collateral Manager will have the option to elect which of the cases set forth in the matrix set out in the Collateral Management and Administration Agreement (the "**Moody's Test Matrix**") shall be applicable for the purposes of the Moody's Maximum Weighted Average Rating Factor Test and the Moody's Minimum Diversity Test. For any given case:

(1) 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; and

(2) 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.

On the Effective Date, the Collateral Manager will be required to elect which case shall apply initially. Thereafter, on ten Business Days' notice to the Issuer, the Collateral Administrator and Moody's, the Collateral 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 and the Moody's Minimum Weighted Average Floating Spread Test applicable to the case to which the Collateral 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 Collateral Manager be obliged to elect to have a different case apply.

The Moody's Tests Matrix may be amended and/or supplemented and/or replaced by the Collateral Manager subject to Rating Agency Confirmation from Moody's.

7.2. Fitch Test Matrices

Subject to the provisions provided below, on or after the Effective Date, the Collateral Manager will have the option to elect which of the cases set forth in the matrix set out in the Collateral Management

and Administration Agreement (the "**Fitch Test Matrices**") shall be applicable for the purposes of the Fitch Maximum Weighted Average Rating Factor Test, the Fitch Minimum Weighted Average Recovery Rate Test and the Fitch Minimum Weighted Average Spread Test. For any given case:

(1) the applicable column for performing the Fitch Maximum Weighted Average Rating Factor Test will be the column (or linear interpolation between two adjacent columns, as applicable) in the Fitch Test Matrix selected by the Collateral Manager;

(2) the applicable row for performing the Fitch Minimum Weighted Average Spread Test will be the row (or linear interpolation between two adjacent rows, as applicable) in the Fitch Test Matrix selected by the Collateral Manager; and

(3) the applicable column and row for performing the Fitch Minimum Weighted Average Recovery Rate Test will be the column and row (or linear interpolation between two adjacent columns and/or two adjacent rows, as applicable) in the Fitch Test Matrix selected by the Collateral Manager in relation to (1) and (2) above.

On the Effective Date, the Collateral Manager will be required to elect which Fitch Test Matrix and which case set forth in the applicable Fitch Test Matrix shall apply initially. Thereafter, on ten Business Days' notice to the Issuer, the Collateral Administrator and Fitch, the Collateral Manager may elect to have a different case apply, *provided that* the Fitch Maximum Weighted Average Rating Factor Test, the Fitch Minimum Weighted Average Spread Test and the Fitch Minimum Weighted Average Recovery Rate Test applicable to the case (and the Fitch Text Matrix if applicable) to which the Collateral 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 Collateral Manager be obliged to elect to have a different Fitch Test Matrix, or case set forth in such Fitch Test Matrix, apply.

The Fitch Tests Matrices may be amended and/or supplemented and/or replaced by the Collateral Manager subject to Rating Agency Confirmation from Fitch.

7.3. 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 Collateral 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 Obligations is calculated by summing each of the Industry Diversity Scores which are calculated as follows:

(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 Obligations by summing the Principal Balances of all Collateral Obligations (excluding Defaulted Obligations) issued by such Obligor, *provided that* if a Collateral 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 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 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 Geographically Based Industry Equivalent Unit Score**" is then calculated for each Geographically Based Industry Group by summing the Equivalent Unit Scores for each Obligor in the same Geographically Based Industry Group (or such other Equivalent Unit Scores as are published by Moody's from time to time);

(e) "**Geographically Based Industry Group**" means;

(i) in respect of local industries, those obligors which are classified under the same Moody's industry group in the Moody's industrial classification and which are incorporated or domiciled in the same region, or

(ii) in respect of global industries, those obligors which are classified under the same Moody's industry group in the Moody's industrial classification,

provided that, in respect of industry groups, global, local and regional classifications, such classifications as published by Moody's from time to time are used; and

(f) 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 Geographically Based Industry Equivalent Unit Score. If the Aggregate Geographically Based 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 the purposes of calculating the Diversity Scores, any Obligors Affiliated with one another will be considered to be one Obligor.

Diversity Score Table

Aggregate Geographically Based Industry Equivalent Unit	Industry Diversity Score	Aggregate Geographically Based Industry Equivalent Unit	Industry Diversity Score	Aggregate Geographically Based Industry Equivalent Unit	Industry Diversity Score	Aggregate Geographically Based Industry Equivalent Unit	Industry Diversity Score
0.0000	0.0000	5.0500	2.7000	10.1500	4.0200	15.2500	4.5300
0.0500	0.1000	5.1500	2.7333	10.2500	4.0300	15.3500	4.5400
0.1500	0.2000	5.2500	2.7667	10.3500	4.0400	15.4500	4.5500
0.2500	0.3000	5.3500	2.8000	10.4500	4.0500	15.5500	4.5600
0.3500	0.4000	5.4500	2.8333	10.5500	4.0600	15.6500	4.5700
0.4500	0.5000	5.5500	2.8667	10.6500	4.0700	15.7500	4.5800
0.5500	0.6000	5.6500	2.9000	10.7500	4.0800	15.8500	4.5900
0.6500	0.7000	5.7500	2.9333	10.8500	4.0900	15.9500	4.6000
0.7500	0.8000	5.8500	2.9667	10.9500	4.1000	16.0500	4.6100
0.8500	0.9000	5.9500	3.0000	11.0500	4.1100	16.1500	4.6200
0.9500	1.0000	6.0500	3.0250	11.1500	4.1200	16.2500	4.6300
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		

7.4. 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 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 Collateral 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 3900.

The "**Moody's Weighted Average Rating Factor**" is determined by summing the products obtained by multiplying the Principal Balance of each Collateral Obligation, excluding Defaulted Obligations, by its Moody's Rating Factor, dividing such sum by the Aggregate Principal Balances of all such Collateral Obligations, excluding Defaulted Obligations, and rounding the result up to the nearest whole number.

The "**Moody's Rating Factor**" relating to any Collateral Obligation is the number set forth in the table below opposite the Moody's Default Probability Rating of such Collateral 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) 43.5; 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 equal to or less than 3 per cent., 50;

(2) if the Weighted Average Spread is equal to or less than 3.4 per cent but more than 3 per cent., 60;

(3) in all other cases, 70; and

(B) with respect to adjustment of the Minimum Weighted Average Spread,

(1) if the Weighted Average Spread is equal to or less than 3 per cent., 0.05 per cent;

(2) if the Weighted Average Spread is equal to or less than 3.4 per cent but more than 3 per cent., 0.075 per cent;

(3) in all other cases, 0.125 per cent,

provided that if the Weighted Average Moody's Recovery Rate for the 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 and provided further that the amount specified in clause (b)(i) above may only be allocated once on any Measurement Date and the Collateral Manager shall designate to the Collateral Administrator in writing on each such date the portion of such amount that shall be allocated to clause (b)(ii)(A) and the portion of such amount that shall be allocated to clause (b)(ii)(B) (it being understood that, absent an express designation by the Collateral Manager, all such amounts shall be allocated to clause (b)(ii)(A)).

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	6,000,000	3,000,000
Less than or equal to 2.89%	100	70	45
2.9% to 3.29%	80	55	35
3.3% to 3.59%	55	45	30
3.6% to 3.89%	25	23	21
3.9% to 4.29%	13	12	11
4.3% to 4.69%	7	7	7
Greater than or equal to 4.7%	3	3	3

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; and

(b) zero.

The "**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 the purposes of determining a Moody's Default Probability Rating in connection with determining the Moody's Weighted Average Rating Factor for the purposes of this definition, each applicable rating on credit watch by Moody's that is on:

(a) review for upgrade will be treated as having been upgraded by one rating sub category;

(b) review for downgrade 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.

7.5. 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) 43.5 per cent. *minus* (b) the Moody's Weighted Average Rating Factor Adjustment, *provided however that* the Moody's Minimum Weighted Average Recovery Rate Test 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 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**" is, except as otherwise advised by Moody's, with respect to any Collateral 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 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 Obligation, except with respect to a DIP Loan, the rate determined pursuant to the table below based on the number of rating subcategories' difference between the Collateral Obligation's Moody's Rating and its Moody's Default Probability Rating (for the purposes of clarification, if the Moody's Rating is higher than the Moody's Default Probability Rating, the rating subcategories' difference will be positive, and if it is lower, negative):

Number of Moody's Ratings Subcategories' Difference Between the Moody's Rating and the Moody's Default Probability Rating	Moody's Secured Senior Loans	Secured Senior Obligations (other than Moody's Secured Senior Loans); Second Lien Loans; Mezzanine Loans*	All other Collateral 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%

*If such Collateral Obligation is publicly rated by Moody's and does not have both a CFR and an Assigned Moody's Rating, such Collateral Obligation will be deemed to be an Unsecured Senior Loan for the purposes of this table.

(c) if the Collateral Obligation is a DIP Loan (other than a DIP Loan which has been specifically assigned a recovery rate by Moody's), 50 per cent..

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 Collateral 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) 85 if the Weighted Average Spread is equal to or higher than 2.5 per cent. but less than 3 per cent, or (B) 80 if the Weighted Average Spread is equal to or higher than 3 per cent. but less than 4.2 per cent, or (C) or 75 if the Weighted Average Spread is equal to or higher than 4.2 per cent. but less than 4.5 per cent, or (D) 70 if the Weighted Average Spread is equal to or higher than 4.5 per cent.,

and dividing the result by 100.

7.6 The Moody's Minimum Weighted Average Floating Spread Test

The "**Moody's Minimum Weighted Average Floating Spread Test**" will be satisfied if, as at any Measurement Date from (and including) the Effective Date, the Weighted Average Floating Spread as

at such Measurement Date equals or exceeds the Moody's Minimum Weighted Average Floating Spread as at such Measurement Date.

The "**Moody's Minimum Weighted Average Floating Spread**" has the meaning ascribed to such term in the Collateral Management and Administration Agreement.

7.7. The Fitch Maximum Weighted Average Rating Factor Test

The "**Fitch Maximum Weighted Average Rating Factor Test**" means that test that will be satisfied on any Measurement Date from (and including) the Effective Date if the Fitch Weighted Average Rating Factor as at such date is less than or equal to the applicable level in the Fitch Test Matrices.

The "**Fitch Weighted Average Rating Factor**" is the number determined by summing the products obtained by multiplying the Principal Balance of each Collateral Obligation by its Fitch Rating Factor, dividing such sum by the Aggregate Principal Balance of all such Collateral Obligations and rounding the result down to the nearest two decimal places.

The "**Fitch Rating Factor**" means, in respect of any Collateral Obligation, the number set forth in the table below opposite the Fitch Rating in respect of such Collateral Obligation. The following table provides certain probabilities of default relating to Fitch Rating Factors. The information is subject to change and any probabilities of default in respect of Fitch Rating Factors may not at any time necessarily reflect the below table.

Fitch Rating	Fitch Rating Factor
AAA	0.19
AA+	0.35
AA	0.64
AA-	0.86
A+	1.17
A	1.58
A-	2.25
BBB+	3.19
BBB	4.54
BBB-	7.13
BB+	12.19
BB	17.43
BB-	22.80
B+	27.80
B	32.18
B-	40.60
CCC+	62.80
CCC	62.80
CCC-	62.80
CC	100.00
C	100.00
D	100.00

7.8. The Fitch Minimum Weighted Average Recovery Rate Test

The "**Fitch Minimum Weighted Average Recovery Rate Test**" means the test that will be satisfied in respect of the Notes on any Measurement Date from (and including) the Effective Date if the Fitch Weighted Average Recovery Rate is greater than or equal to the applicable level in the Fitch Test Matrices.

The "**Fitch Weighted Average Recovery Rate**" means, as of any Measurement Date, the rate (expressed as a percentage) determined by summing the products obtained by multiplying the Principal Balance of each Collateral Obligation by the Fitch Recovery Rate in relation thereto and dividing such sum by the Aggregate Principal Balance of all Collateral Obligations and rounding up to the nearest 0.1 per cent.

The "**Fitch Recovery Rate**" means, with respect to a Collateral Obligation, the recovery rate determined in accordance with paragraphs (a) to (c) (inclusive) below, or (in any case) such other recovery rate as Fitch may notify the Collateral Manager from time to time:

(a) if such Collateral Obligation has a public Fitch recovery rating, or a recovery rating is assigned by Fitch in the context of the provision by Fitch of a credit opinion to the Collateral Manager, the recovery rate corresponding to such recovery rating in the table below (unless an obligation's specific recovery rate (expressed as a percentage) is provided by Fitch, in which case such recovery rate is used):

Fitch recovery rating	Fitch recovery rate (%)
RR1	95
RR2	80
RR3	60
RR4	40
RR5	20
RR6	5

(b) if such Collateral Obligation (i) has no public Fitch recovery rating, (ii) neither a recovery rating nor an obligation's specific recovery rate is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Collateral Manager and (iii) has a public S&P recovery rating, the recovery rate corresponding to such recovery rating in the table below:

S&P recovery rating	Fitch recovery rate (%)
1+	95
1	95
2	80
3	60
4	40
5	20
6	5

(c) if such Collateral Obligation (i) has no public Fitch recovery rating, (ii) no recovery rating is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Collateral Manager and (iii) has no public S&P recovery rating, (x) if such Collateral Obligation is a senior secured note, the recovery rate applicable to such senior secured note shall be the recovery rate corresponding to the Fitch recovery rating of "RR3" in the table above and (y) otherwise, the recovery rate determined in accordance with the table below, where the Collateral Obligation shall be categorised as "**Strong Recovery**" if it is a Secured Senior Loan, "**Moderate Recovery**" if it is an unsecured loan and otherwise "**Weak Recovery**", and shall fall into the country group corresponding to the country in which the Obligor is Domiciled:

	United States	Group A	Group B	Group C	Group D
Strong Recovery	80%	75%	75%	45%	35%
Moderate Recovery	45%	45%	45%	30%	25%
Weak Recovery	20%	20%	20%	5%	5%

The country group of a Collateral Obligation shall be determined, by reference to the country where the Obligor is Domiciled, in accordance with the below:

Group A: Australia, Canada, Denmark, Finland, Germany, Iceland, Japan, Korea, Netherlands, Norway, Puerto Rico (U.S.), United Kingdom.

Group B: Austria, Barbados, Belgium, Czech Republic, France, Hong Kong, Ireland, Israel, Italy, Mexico, New Zealand, Portugal, Singapore, Spain, Sweden, Taiwan, Cyprus.

Group C: Bahamas, Bosnia and Herzegovina, Botswana, Brazil, Bulgaria, China (for Chinese domiciled corporates which issue offshore, generally utilising special purpose vehicles or holdcos, but without upstream guarantees from an onshore operating entity, Fitch

caps recoveries at RR4, at the rating level of the Fitch Issuer Default Rating), Columbia, Croatia,

Estonia, Greece, Jamaica, Latvia, Luxembourg, Malaysia, Mauritius, Moldova, Montenegro, Philippines, Poland, Romania, Serbia, Seychelles, Slovakia, Slovenia, South Africa, Switzerland, Thailand, Tunisia, Uruguay.

Group D: Argentina, Azerbaijan, Bahrain, Belarus, Cabo Verde, Chile, Costa Rica, Dominican Republic, Ecuador, Egypt, El Salvador, Grenada, Guatemala, Hungary, India, Indonesia, Jordan, Kazakhstan, Kuwait, Lebanon, Lithuania, Macedonia, Maldives, Malta, Morocco, Namibia, Nigeria, Oman, Panama, Papua New Guinea, Paraguay, Peru, Russia, Saudi Arabia, Sri Lanka, Turkey, Ukraine, United Arab Emirates, Vietnam.

7.9. The Fitch Minimum Weighted Average Spread Test

The "**Fitch Minimum Weighted Average Spread Test**" means the test which will be satisfied if, as at any Measurement Date from (and including) the Effective Date, the Weighted Average Floating Spread as at such Measurement Date equals or exceeds the Fitch Minimum Weighted Average Spread as at such Measurement Date.

The "**Fitch Minimum Weighted Average Spread** " means the weighted average spread (expressed as a percentage) applicable to the Fitch Test Matrix.

7.10 The Weighted Average Life Test

The "**Weighted Average Life Test**" will be satisfied on any Measurement Date if the Weighted Average Life as of such date is less than the number of years (rounded to the nearest one hundredth thereof) during the period from such Measurement Date to 12 September 2025.

The "**Weighted Average Life**" is, as of any Measurement Date with respect to all Collateral Obligations other than Defaulted Obligations, the number of years following such date obtained by (i) summing the products obtained by multiplying (a) the Average Life at such time of each such Collateral Obligation by (b) the Principal Balance of such Collateral Obligation and Deferring Obligations and (ii) dividing such sum by the Aggregate Principal Balance at such time of all Collateral Obligations other than Defaulted Obligations and Deferring Obligations.

The "**Average Life**" is, on any Measurement Date with respect to any Collateral Obligation, the quotient obtained by dividing (i) the sum of the products of (a) 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 Obligation and (b) the respective amounts of principal of such scheduled distributions by (ii) the sum of all successive scheduled distributions of principal on such Collateral Obligation.

8. RATING DEFINITIONS

8.1. 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 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 Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) if the Obligor of such Collateral 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 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 Collateral Manager in its sole discretion;

(c) if not determined pursuant to clauses (a) or (b) above, or if the Obligor of such Collateral Obligation has one or more senior secured obligations with an Assigned Moody's Rating, then the Moody's rating that is one subcategory lower than the Assigned Moody's Rating on any such senior secured obligation as selected by the Collateral Manager in its sole discretion;

(d) if not determined pursuant to clauses (a), (b) or (c) above, or if a credit estimate has been assigned to such Collateral Obligation by Moody's upon the request of the Issuer, the Collateral Manager or an Affiliate of the Collateral Manager, then the Moody's Default Probability Rating is such credit estimate as long as such rating estimate or a renewal for such rating estimate has been issued or provided by Moody's in each case within the 15 month period preceding the date on which the Moody's Default Probability Rating is being determined; provided that if such rating estimate has been issued or provided by Moody's for a period (A) longer than 13 months but not beyond 15 months, the Moody's Default Probability Rating will be one subcategory lower than such rating estimate and (B) beyond 15 months, the Moody's Default Probability Rating will be deemed to be "Caa3";

(e) if not determined pursuant to clauses (a), (b), (c) 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 Obligation will be deemed to have a Moody's Default Probability Rating of "Caa3".

For the purposes of calculating a Moody's Default Probability Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated, respectively, as having been upgraded or downgraded by one rating subcategory, as the case may be.

"**Moody's Derived Rating**" means, with respect to a Collateral 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 DIP Loan, one subcategory below the facility rating (whether public or private) of such DIP Loan rated by Moody's;

(b) if not determined pursuant to clause (a) above, if the Obligor of such Collateral 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 Subcategories 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 clause (a), (b) or (c) above, if the Obligor of such Collateral Obligation has a corporate family rating by Moody's, then one subcategory below such corporate family rating;

(e) if not determined pursuant to clause (a), (b), (c) or (d) above, then by using any one of the methods provided below:

(i) pursuant to the table below:

Type of Collateral Obligation	S&P Rating (Public and Monitored)	Collateral Obligation Rated by S&P	Number of Subcategories 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		Loan or Participation in Loan	-2

(ii) if such Collateral 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 Collateral Manager be determined in accordance with the table set forth in sub clause (e)(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 Obligation will be determined in accordance with the methodology set forth in clause (a) 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 (e)(ii)); or

(iii) if such Collateral Obligation is a DIP Loan, no Moody's Derived Rating may be determined based on a rating by S&P or any other rating agency; or

(f) if such Collateral Obligation is not rated by Moody's or S&P and no other security or obligation of the issuer of such Collateral Obligation is rated by Moody's or S&P, and if Moody's has been requested by the Issuer, the Collateral Manager or the issuer of such Collateral Obligation to assign a rating or rating estimate with respect to such Collateral Obligation but such rating or rating estimate has not been received, pending receipt of such estimate, 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 Obligation shall be (i) "B3" if the Collateral Manager certifies to the Trustee and the Collateral Administrator that the Collateral Manager believes that such estimate will be at least "B3" and if the aggregate principal balance of Collateral Obligations determined pursuant to this clause (f) does not exceed 5.0 per cent. of the Aggregate Principal Balance of all Collateral Obligations or (ii) otherwise, "Caa3".

"**Moody's Rating**" means:

(a) with respect to a Collateral Obligation that is a Secured Senior Loan:

(i) if such Collateral Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Obligation has a CFR, then the Moody's rating that is one subcategory higher than such CFR;

(iii) if neither clause (i) nor (ii) above apply, if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral 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 Collateral Manager in its sole discretion;

(iv) if none of clauses (i) through (iii) above apply, at the election of the Collateral Manager, the Moody's Derived Rating; and

(v) if none of clauses (i) through (iv) above apply, the Collateral Obligation will be deemed to have a Moody's Rating of "Caa3"; and

(b) with respect to a Collateral Obligation other than a Secured Senior Loan:

(i) if such Collateral Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral 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 Collateral Manager in its sole discretion;

(iii) if neither clause (i) nor (ii) above applies, if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Obligation has a CFR, then the Moody's rating that is one subcategory lower than such CFR;

(iv) if none of clauses (i), (ii) or (iii) above apply, if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Obligation has one or more subordinated debt obligations with an Assigned Moody's Rating, then the Moody's rating that is one subcategory higher than the Assigned Moody's Rating on any such obligation as selected by the Collateral Manager in its sole discretion;

(v) if none of clauses (i) through (iv) above apply, at the election of the Collateral Manager, the Moody's Derived Rating; and

(vi) if none of clauses (i) through (v) above apply, the Collateral 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 or no other obligation of the Obligor has any higher priority security interest in such assets or stock, *provided that* a revolving loan of the Obligor that, pursuant to its terms, may require one or more advances to be made to the borrower may have a higher priority security interest in such assets or stock in the event of an enforcement in respect of such loan representing up to 15 per cent. of the Obligor's senior debt (or more if Rating Agency Confirmation from Moody's has been obtained);

(ii) (x) is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under the loan; and (y) such specified collateral does not consist entirely of equity securities or common stock; *provided that* any loan that would be considered a Moody's 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 Collateral 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 judgement of the Collateral Manager in accordance with the standard of care set out in the Collateral Management and Administration Agreement) 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 DIP 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.

8.2. Fitch Ratings Definitions

The "**Fitch Rating**" of any Collateral Obligation will be determined in accordance with the below methodology (with the sub-paragraph earliest in this definition applying in the case where more than one sub-paragraph would otherwise be applicable):

(a) with respect to any Collateral Obligation in respect of which there is a Fitch issuer default rating, including credit opinions, whether public or privately provided to the Collateral Manager following notification by the Collateral Manager that the Issuer has entered into a binding commitment to acquire such Collateral Obligation (the "**Fitch Issuer Default Rating**"), the Fitch Rating shall be such Fitch Issuer Default Rating;

(b) if the Obligor thereof has an outstanding long-term financial strength rating from Fitch (the "**Fitch LTSR**"), then the Fitch Rating shall be one notch lower than such Fitch LTSR;

(c) if in respect of any other obligation of the Obligor or its Affiliates, there is a publicly available rating by Fitch, then the Fitch Rating shall be the Fitch IDR Equivalent determined by applying the Fitch Rating Mapping Table (as defined below) to such rating;

(d) if in respect of the Collateral Obligation there is a Moody's CFR, a Moody's Long Term Issuer Rating or an S&P Issuer Credit Rating, then the Fitch Rating shall be the rating that corresponds to the lowest thereof;

(e) if in respect of the Collateral Obligation, there is an Insurance Financial Strength Rating, then the Fitch Rating shall be one notch lower than such Insurance Financial Strength Rating;

(f) if in respect of the Collateral Obligation there is a Moody's/S&P Corporate Issue Rating, then the Fitch Rating shall be the Fitch IDR Equivalent determined by applying the Fitch Rating Mapping Table (as defined below) to such rating; or

(g) if a Fitch Rating cannot otherwise be assigned, the Collateral Manager, on behalf of the Issuer, shall apply to Fitch for a credit opinion which shall then be the Fitch Rating or shall agree a rating with Fitch which shall then be the Fitch Rating, *provided that* pending receipt from Fitch of any credit opinion, the applicable Collateral Obligation shall either be deemed to have a Fitch Rating of "B-", subject to the Collateral Manager believing (in its reasonable judgement) that such credit assessment will be at least "B-" or the rating specified as applicable thereto by Fitch pending receipt of such credit assessment; or

(h) if such Collateral Obligation is a DIP Loan:

(i) if such DIP Loan has a publicly available rating from Fitch or has been assigned an issue-level credit assessment by Fitch, the Fitch Rating shall be such rating or credit assessment;

(ii) otherwise the Issuer or the Collateral Manager (acting on behalf of the Issuer) shall apply to Fitch for an issue-level credit assessment *provided that*, pending receipt from Fitch of any issue-level credit assessment, the applicable DIP Loan shall either be deemed to have a Fitch Rating of "B-", subject to the Collateral Manager believing (in its reasonable judgement) that such credit assessment will be at least "B-" or the rating specified as applicable thereto by Fitch pending receipt of such credit assessment.

For the purposes of determining the Fitch Rating, the following definitions shall apply, *provided always that* (i) if a debt security or obligation of the Obligor has been in default during the past two years, the Fitch Rating of such Collateral Obligation shall be treated as "D", (ii) with respect to any Current Pay Obligation that is rated "D" or "RD", the Fitch Rating of such Current Pay Obligation will be "CCC", and *provided further that* (1) if the applicable Collateral Obligation has been put on rating watch negative or negative credit watch for possible downgrade by Fitch, then the rating used to determine the Fitch Rating above shall be one rating subcategory below such rating by Fitch, (2) if the applicable Collateral Obligation has been put on rating watch negative or negative credit watch for possible downgrade by Moody's, then in the case only where the Fitch Rating is derived from a rating assigned by Moody's the Fitch Rating shall be one rating subcategory below what would otherwise be the Fitch Rating determined pursuant to paragraphs (a) to (h) above, (3) if the applicable Collateral Obligation has been put on rating watch negative or negative credit watch for possible downgrade by S&P, then in the case only where the Fitch Rating is derived from a rating assigned by S&P then the Fitch Rating shall be one rating subcategory below what would otherwise be the Fitch Rating determined pursuant to paragraphs (a) to (h) above and (4) notwithstanding the rating definition described above, Fitch reserves the right to use a credit opinion or a rating estimate for any Collateral Obligations at any time.

"**Fitch IDR Equivalent**" means, in respect of any rating described in the Fitch Rating Mapping Table, the equivalent Fitch Issuer Default Rating determined by increasing (or reducing, in the case of a negative number) such rating (or the nearest Fitch equivalent thereof) by the number of notches specified under "Mapping Rule" in the fourth column of the Fitch Rating Mapping Table.

"**Fitch Rating Mapping Table**" means the following table:

Rating Type	Applicable Rating Agency(ies)	Issue rating	Mapping Rule
Corporate family rating or long term issuer rating.....	Moody's	n/a	+0
Issuer credit rating	S&P	n/a	+0
Senior unsecured.....	Fitch, Moody's or S&P	Any	+0
Senior, senior secured or subordinated secured ..	Fitch or S&P	"BBB-" or above	+0
Senior, senior secured or subordinated secured ..	Fitch or S&P	"BB+" or below	-1
Senior, senior secured or subordinated secured ..	Moody's	"Ba1" or above	-1
Senior, senior secured or subordinated secured ..	Moody's	"Ba2" or below, but above "Ca"	-2
Senior, senior secured or subordinated secured ..	Moody'	"Ca"	-1
Subordinated, junior subordinated or senior subordinated.....	Fitch, Moody's or S&P	"B+" / "B1" or above	+1
Subordinated, junior subordinated or senior subordinated.....	Fitch, Moody's or S&P	"B" / "B2" or below	+2

"**Insurance Financial Strength Rating**" means, in respect of a Collateral Obligation, the lower of any applicable public insurance financial strength rating by S&P or Moody's in respect thereof.

"**Moody's CFR**" means, in respect of a Collateral Obligation, a publicly available corporate family rating by Moody's in respect of the Obligor thereof.

"**Moody's Long Term Issuer Rating**" means, in respect of a Collateral Obligation, a publicly available long term issuer rating by Moody's in respect of the Obligor thereof.

"**Moody's/S&P Corporate Issue Rating**" means, in respect of a Collateral Obligation, the lower of the Fitch IDR Equivalent ratings, determined in accordance with the Fitch Rating Mapping Table, corresponding to any outstanding publicly available issue rating by Moody's and/or S&P in respect of any other obligation of the Obligor or any of its Affiliates.

"**S&P Issuer Credit Rating**" means, in respect of a Collateral Obligation, a publicly available issuer credit rating by S&P in respect of the Obligor thereof.

"**S&P Rating**" means, with respect to any Collateral Obligation, as of any determination date, the rating assigned to such collateral obligation by S&P.

8.3 Weighted Average Floating Spread

The "**Weighted Average Floating Spread**", as of any Measurement Date, is the number obtained by dividing:

(a) the amount equal to (A) the Aggregate Funded Spread *plus* (B) the Aggregate Unfunded Spread plus (C) the Aggregate Excess Funded Spread; *by*

(b) an amount equal to the Aggregate Principal Balance of all Collateral Obligations as of such Measurement Date, in each case excluding Defaulted Obligations and, in respect of any Deferring Obligation, any interest that has been deferred and capitalised thereon,

in each case adjusted for any withholding tax deducted in respect of the relevant obligation which is neither grossed up nor recoverable under any applicable double tax treaty.

The "**Aggregate Funded Spread**" is, as of any Measurement Date, the sum of:

(a) in the case of each Floating Rate Obligation (including only the required non-deferrable current cash pay interest required by the Underlying Instruments thereon, and excluding Non-Euro Obligations, Defaulted Obligations, Deferring Obligations and the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Obligation) that bears interest at a spread over EURIBOR, (i) the stated interest rate spread on such Collateral Obligation above EURIBOR *multiplied by* (ii) the Principal Balance of such Floating Rate Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Obligation);

(b) in the case of each Floating Rate Obligation (including only the required non-deferrable current cash pay interest required by the Underlying Instruments thereon, and excluding Non-Euro Obligations, Defaulted Obligations, Deferring Obligations and the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Obligation) that bears interest at a spread over an index other than EURIBOR, (i) the excess of the sum of such spread and such index over the EURIBOR rate that has an equivalent frequency and setting date to the corresponding interest rate in respect of such Collateral Obligation as of the immediately preceding interest determination date pursuant to the relevant Underlying Instrument (which spread or excess may be expressed as a negative percentage) *multiplied by* (ii) the Principal Balance of such Floating Rate Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Obligation);

(c) in the case of each Floating Rate Obligation which is a Non-Euro Obligation (including only the required non-deferrable current cash pay interest required by the Underlying Instruments thereon, and excluding Defaulted Obligations, Deferring Obligations and the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Obligation) and subject to a Currency Hedge Transaction, (i) the stated interest rate spread over EURIBOR (in respect of the applicable Hedge Agreement) payable by the applicable Currency Hedge

Counterparty to the Issuer under the related Currency Hedge Transaction *multiplied by* (ii) the Principal Balance of such Non-Euro Obligation;

(d) in the case of each Floating Rate Obligation which is a Non-Euro Obligation (including only the required non-deferrable current cash pay interest required by the Underlying Instruments thereon, and excluding Defaulted Obligations, Deferring Obligations and the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Obligation) and which is not subject to a Currency Hedge Transaction, (i) the interest amount payable by the relevant obligor in respect of the current calendar year converted to Euro at the Spot Rate, less (ii) the product of (x) EURIBOR *multiplied by* (y) the Principal Balance of such Non-Euro Obligation,

provided that for such purpose:

(1) in respect of a Floating Rate Obligation, the interest rate spread will be deemed to be, with respect to any Collateral Obligation that has a EURIBOR floor, (i) the stated interest rate spread *plus*, (ii) if positive, (x) the EURIBOR floor value *minus* (y) the greater of EURIBOR as in effect for the current accrual period and zero (and, for the purposes of paragraph (a) only, each reference to "**EURIBOR**" so far as it relates to a Collateral Obligation shall mean EURIBOR as determined pursuant to the Underlying Instrument in respect of such Collateral Obligation);

(2) a Floating Rate Obligation which is subject to an Interest Rate Hedge Transaction which swaps the floating rate on such Floating Rate Obligation for a fixed rate shall be deemed to be a Fixed Rate Obligation with a fixed rate equal to the stated fixed rate payable by the applicable Interest Rate Hedge Counterparty to the Issuer under such Interest Rate Hedge Transaction;

(3) in respect of a Step-Down Coupon Obligation, the interest rate shall be deemed to be the lowest interest rate that is permissible pursuant to and in accordance with the Underlying Instruments relating thereto;

(4) in respect of a Step-Up Coupon Obligation, the interest rate shall be the interest rate applicable thereto as of the Measurement Date; and

(5) in respect of a Zero Coupon Obligation, the interest rate shall be zero.

The "**Aggregate Unfunded Spread**" is, as of any Measurement Date, the sum of the products obtained by multiplying (i) for each Delayed Drawdown Collateral Obligation and Revolving Obligation (other than Defaulted Obligations and Deferring Obligations), the related commitment fee then in effect as of such date and (ii) the undrawn commitments of each such Delayed Drawdown Collateral Obligation and Revolving Obligation as of such date.

The "**Aggregate Excess Funded Spread**" is, as of any Measurement Date, the amount obtained by *multiplying*:

(a) EURIBOR applicable to the Rated Notes during the Accrual Period in which such Measurement Date occurs; *by*

(b) the amount (not less than zero) equal to (i) the Aggregate Principal Balance of the Collateral Obligations (excluding (x) for any Deferring Obligation, any interest that has been deferred and capitalised thereon and (y) the Principal Balance of any Defaulted Obligation) as of such Measurement Date *minus* (ii) the Target Par Amount *minus* (iii) the aggregate amount of Principal Proceeds received from the issuance of additional notes pursuant to the Trust Deed.

9. 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, whether Principal Proceeds may be reinvested in additional Collateral Obligations or Substitute Collateral Obligations, or whether Interest Proceeds and, to the extent needed, Principal Proceeds, in the event of failure to satisfy the Class A/B Coverage Tests, must instead be used to pay principal on the Class A Notes and, after redemption in full thereof, to pay principal on the Class B Notes to the extent necessary to cause the Class A/B Coverage Tests to be satisfied if recalculated immediately following such redemption; or in the event of failure to satisfy the Class C Coverage Tests, to pay principal on the Class A Notes and, after redemption in full thereof, principal on the Class B Notes and, after redemption in full thereof, principal on the Class C Notes to the extent necessary to cause the Class C Coverage Tests to be satisfied if recalculated immediately following such redemption; or, in the event of failure of the Class D Coverage Tests, to pay principal on the Class A Notes and, after redemption in full thereof, principal on the Class B Notes and, after redemption in full thereof, principal on the Class C Notes and, after redemption in full thereof, principal on the Class D Notes to the extent necessary to cause the Class D Coverage Tests to be satisfied if recalculated immediately following such redemption; or, in the event of failure of the Class E Coverage Tests, to pay principal on the Class A Notes and, after redemption in full thereof, principal on the Class B Notes and, after redemption in full thereof, principal on the Class C Notes and, after redemption in full thereof, principal on the Class D Notes and, after redemption in full thereof, principal on the Class E Notes to the extent necessary to cause the Class E Coverage Tests to be satisfied if recalculated immediately following such redemption; or, in the event of failure of the Class F Par Value Test, to pay principal on the Class A Notes and, after redemption in full thereof, principal on the Class B Notes and, after redemption in full thereof, principal on the Class C Notes and, after redemption in full thereof, principal on the Class D Notes and, after redemption in full thereof, principal on the Class E Notes and, after redemption in full thereof, principal on the Class F Notes to the extent necessary to cause the Class F Par Value Test to be satisfied if recalculated immediately following such redemption.

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 (i) on and after the Effective Date in respect of the Par Value Tests and (ii) 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	129.43%
Class A/B Interest Coverage	120.00%
Class C Par Value	120.62%
Class C Interest Coverage	112.00%
Class D Par Value	113.97%
Class D Interest Coverage	105.00%
Class E Par Value	106.25%
Class E Interest Coverage	102.00%
Class F Par Value	104.01%

10. THE REINVESTMENT PAR VALUE TEST

If the Reinvestment Par Value Test is not satisfied as of any Measurement Date on and after the Effective Date and during the Reinvestment Period, on the related Payment Date, Interest Proceeds shall be paid to the Principal Account to be applied for the purpose of the acquisition of additional Collateral Obligations in an amount equal to the lesser of (1) 50.0 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (W) of the Interest Priority of Payments and

(2) the amount which, after giving effect to the payment pursuant to paragraph (W) of the Interest Priority of Payments, would be sufficient to cause the Reinvestment Par Value Test to be satisfied.

	Percentage At Which Test Is Satisfied
Reinvestment Par Value Test.....	104.51%

DESCRIPTION OF THE COLLATERAL MANAGEMENT AND ADMINISTRATION AGREEMENT

The following description of the Collateral Management and Administration Agreement consists of a summary of certain provisions of the Collateral Management and Administration Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement. Capitalised terms used in this section and not defined in this Prospectus shall have the meaning given to them in the Collateral Management and Administration Agreement.

General

The Collateral Manager will perform certain investment management functions, including, without limitation, supervising and effecting the investment and reinvestment of the Collateral Obligations and Eligible Investments, and will perform certain administrative and advisory functions on behalf of the Issuer in accordance with the applicable provisions of the Collateral Management and Administration Agreement. The Collateral Management and Administration Agreement contains procedures whereby the Collateral Manager will have discretionary authority of the Issuer in relation to the composition, acquisition and management of the Portfolio.

Duties of the Collateral Manager

Pursuant to the terms of the Collateral Management and Administration Agreement, the Collateral Manager will be responsible for the management of the Collateral Obligations, including, without limitation, evaluating, selecting and monitoring the Collateral Obligations, effecting acquisitions and sales of Collateral Obligations on behalf of the Issuer, exercising voting or other rights with respect to the Collateral Obligations, attending meetings and otherwise representing the interests of the Issuer in connection with the management of the Collateral Obligations, providing notices to and requesting, directing, disputing and approving action on the part of the Issuer and certain related functions. In addition, pursuant to the terms of the Collateral Management and Administration Agreement, the Collateral Manager will be required to assist the Issuer with respect to any Hedge Agreements (to the extent any such agreement is entered into by the Issuer). Pursuant to the terms of the Collateral Management and Administration Agreement and the Trust Deed, the Collateral Manager will be required to perform its obligations (including in respect of any exercise of discretion) with reasonable care (i) using a degree of skill and attention consistent with practices and procedures followed by reputable institutional collateral managers of international standing managing investments or advising in respect of assets and liabilities similar in nature and character to those which the Collateral Manager is managing pursuant to the Transaction Documents and (ii) without limitation to (i) above, no less than that which the Collateral Manager exercises with respect to comparable assets that it manages for itself and others having similar investment objectives and restrictions and (iii) to the extent not inconsistent with the foregoing, in a manner consistent with the Collateral Manager's customary standards, policies and procedures in performing its duties under the Transaction Documents (the "**Standard of Care**"), provided that the Collateral Manager will not be liable for any losses or damages resulting from any failure to satisfy the foregoing Standard of Care except by reason of acts or omissions constituting bad faith, fraud, wilful misconduct, negligence or a material breach in the performance of the obligations of the Collateral Manager under the Collateral Management and Administration Agreement or any representation or warranty made by the Collateral Manager in the Collateral Management and Administration Agreement proving to have been incorrect in any material respect when made (collectively, a "**Collateral Manager Breach**"). To the extent not inconsistent with the foregoing, the Collateral Manager will be required to follow its customary standards, policies and procedures in performing its duties under the Collateral Management and Administration Agreement and under the other Transaction Documents. The Issuer will indemnify the Collateral Manager against liabilities incurred in performing its duties thereunder, provided that the Issuer will not indemnify the Collateral Manager for any liabilities incurred as a result of any Collateral Manager Breach. The Collateral Manager shall not be liable for any indirect or consequential losses or damages or for any loss of profits under the Collateral Management and Administration Agreement.

Pursuant to the terms of the Collateral Management and Administration Agreement, the Issuer will be required to prepare certain reports with respect to the Collateral Obligations. The Collateral Administrator will assist the Issuer and the Collateral Manager in compiling these reports. The Collateral Manager will

agree in the Collateral Management and Administration Agreement that it will cooperate with the Collateral Administrator in the preparation of such reports.

Compensation of the Collateral Manager

As compensation for the performance of investment management services rendered by it under the Collateral Management and Administration Agreement, the Collateral Manager (and/or, at its direction, an Affiliate of the Collateral Manager) will be entitled to receive in arrear from the Issuer on each Payment Date a senior collateral management fee (exclusive of any value added tax thereon) equal to 0.15 per cent. per annum of the Collateral Principal Amount measured as of the first day of the Due Period (or if such day is not a Business Day, the next day which is a Business Day) immediately preceding such Payment Date (calculated semi-annually during a Frequency Switch Period and quarterly at all other times, and in each case, on the basis of a 360 day year and the actual number of days elapsed in such Due Period), which collateral management fee will be payable senior to the Notes, but subordinated to certain fees and expenses of the Issuer in accordance with the Priorities of Payments (such fee, the "**Senior Management Fee**").

As compensation for the performance of investment management services rendered by it under the Collateral Management and Administration Agreement, the Collateral Management and Administration Agreement provides that the Collateral Manager (and/or, at its direction, an Affiliate of the Collateral Manager) will be entitled to receive in arrear from the Issuer on each Payment Date a subordinated collateral management fee (exclusive of any value added tax thereon) equal to 0.35 per cent. per annum of the Collateral Principal Amount measured as of the first day of the Due Period (or if such day is not a Business Day, the next day which is a Business Day) immediately preceding such Payment Date, as determined by the Collateral Administrator (calculated semi-annually during a Frequency Switch Period and quarterly at all other times, and in each case, on the basis of a 360 day year and the actual number of days elapsed in such Due Period), which collateral management fee will be payable senior to the payments on the Subordinated Notes, but subordinated to the Rated Notes in accordance with the Priorities of Payments (such fee, the "**Subordinated Management Fee**").

If amounts distributable on any Payment Date in accordance with the Priorities of Payments are insufficient to pay the Senior Management Fee or the Subordinated Management Fee in full, then a portion of the Senior Management Fee or Subordinated Management Fee, as applicable, 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 Payments.

The Collateral Management and Administration Agreement also provides that the Collateral Manager (and/or at its direction an Affiliate of the Collateral Manager) will be entitled to an incentive collateral management fee on each Payment Date on which the Incentive Collateral Management Fee IRR Threshold has been met or surpassed, such fee being in an amount equal to 20.0 per cent. of any Interest Proceeds and Principal Proceeds (after any payment required to satisfy the Incentive Collateral Management Fee IRR Threshold) that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the Priorities of Payments and/or Condition 3(k)(vi) (*Supplemental Reserve Account*) (such fee, the "**Incentive Collateral Management Fee**" and which fee shall be exclusive of any value added tax).

The Collateral Manager, in respect of any Collateral Management Fees due to be paid to it on a Payment Date, may elect to (i) defer any Senior Management Fees and Subordinated Management Fees, (ii) irrevocably waive any Collateral Management Fees and/or (iii) direct the Issuer to pay any Senior Management Fees and/or Subordinated Management Fees, or any part thereof, to a party of its choice. Any amounts so deferred pursuant to (i) above or irrevocably waived pursuant to (ii) above shall be applied in accordance with the Priorities of Payments. To the extent that the Collateral Manager elects to defer all or a portion thereof and later rescinds such deferral election, the Deferred Senior Collateral Management Amounts and/or the Deferred Subordinated Collateral Management Amounts, as applicable, will be payable on subsequent Payment Dates in accordance with the Priorities of Payments. Any due and unpaid Collateral Management Fees including Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts shall accrue interest at a rate per annum equal to three month EURIBOR or, if a Frequency Switch Event has occurred, six month EURIBOR (in each case calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period). Any amounts so waived pursuant to (ii) above will cease

to become due and payable and will not become due and payable at any time. Any amounts directed to be paid by the Collateral Manager to another party pursuant to (iii) above will cease to become due and payable to the Collateral Manager upon proper receipt of those amounts by the nominated party. In addition, in accordance with Condition 3(c) (*Priorities of Payments*), the Collateral Manager may, in its sole discretion, elect to designate that the Senior Management Fees and/or Subordinated Management Fees (or a designated portion thereof) be designated for reinvestment in Collateral Obligations or the purchase of Rated Notes pursuant to Condition 7(k) (*Purchase*).

Upon the appointment of a successor Collateral Manager pursuant to the terms of the Collateral Management and Administration Agreement, the Issuer and such successor Collateral Manager may agree (subject to the approval of the Controlling Class acting by Ordinary Resolution) to amend the Collateral Management Fees, *provided that* such Collateral Management Fees are no greater than what would otherwise have been paid to the original Collateral Manager.

Except as otherwise agreed to by the Issuer and the Collateral Manager, the costs and expenses (including the fees and disbursements of counsel and accountants but excluding all overhead costs and employees' salaries) of the Collateral Manager and of the Issuer incurred in connection with the negotiation, preparation and execution of the Transaction Documents and any amendments thereto, and all matters incidental thereto, shall be borne by the Issuer. The Collateral Manager shall be responsible for its ordinary operating expenses incurred in the performance of its obligations under the Collateral Management and Administration Agreement provided, however, that subject to the provisions relating to Administrative Expenses in the Priorities of Payments, the Issuer will reimburse the Collateral Manager for expenses including fees and out-of-pocket expenses reasonably incurred by the Collateral Manager in connection with the services provided under the Collateral Management and Administration Agreement or any other Transaction Documents.

Fees payable to, and costs and expenses of, the Collateral Manager, shall accrue up to the date on which the Collateral Manager's appointment is terminated or the Collateral Manager resigns its appointment, as described further below. If the Collateral Management and Administration Agreement is terminated pursuant to the terms thereof or otherwise, the Collateral Management Fee calculated as provided in the Collateral Management and Administration Agreement shall be pro-rated for any partial periods between Payment Dates during which the Collateral Management and Administration Agreement was in effect and shall be due and payable on the first Payment Date following the date of such termination subject to the Priorities of Payments. For the avoidance of doubt, where the Collateral Manager has resigned or has been removed, but is required to continue providing collateral management services until a successor has been appointed in accordance with the terms of the Collateral Management and Administration Agreement, the Collateral Manager shall continue to be entitled to the Collateral Management Fees and reimbursement of expenses until such successor has been appointed.

Termination of the Collateral Management and Administration Agreement

Removal for Cause

Subject to the paragraph below, the Collateral Management and Administration Agreement may be terminated, and the Collateral Manager may be removed, for cause by (i) the Issuer at the direction of the Controlling Class (acting by Ordinary Resolution) or (ii) holders of the Subordinated Notes acting by Extraordinary Resolution (in each case, excluding Notes held by or on behalf of the Collateral Manager or any of its Affiliates) upon 10 Business Days' prior written notice to the Collateral Manager, the Trustee and each Rating Agency. For the purpose of such termination of the Collateral Management and Administration Agreement or removal of the Collateral Manager, "**cause**"" means any one of the following events:

(i) the Collateral Manager wilfully breaches, or wilfully takes any action that it knows violates any material provision of the Collateral Management and Administration Agreement or any other Transaction Document applicable to it;

(ii) the Collateral Manager breaches any material provision of the Collateral Management and Administration Agreement or any terms of any other Transaction Document applicable to it that, either individually or in the aggregate, is or could reasonably be expected to be, in the opinion of the

Trustee, materially prejudicial to the interests of the holders of any Class of Notes (excluding for purposes of this clause (ii) any actions referred to in clause (i) above or clause (v) below) and fails to cure such breach within 30 days of becoming aware of, or receiving notice from the Issuer or the Trustee of, such breach or, if such breach is not capable of cure within 30 days, the Collateral Manager fails to cure such breach within the period in which a reasonably diligent person could cure such breach (but in no event more than 90 days);

(iii) certain bankruptcy events (excepting consolidation, amalgamation or merger) occur with respect to the Collateral Manager as described in the Collateral Management and Administration Agreement;

(iv) the occurrence of an Event of Default pursuant to any of Condition 10(a)(i) (*Non-payment of interest*), Condition 10(a)(ii) (*Non-payment of principal*) or Condition 10(a)(iv) (*Collateral Obligations*);

(v) any legal, regulatory or other authorisations which are necessary for the performance of the Collateral Manager's obligations under any applicable laws are not in place or the performance by the Collateral Manager in accordance with the Collateral Management and Administration Agreement and the other Transaction Documents is in breach of any applicable laws, except for those jurisdictions in which the failure to be so qualified, authorised or licensed would not have a material adverse effect on the business, operations, assets or financial condition of the Collateral Manager or on the ability of the Collateral Manager to perform its obligations under, or on the validity or enforceability of, the Collateral Management and Administration Agreement;

(vi) any action is taken by the Collateral Manager, or by any of its senior executive officers involved in the management of any of the Collateral Obligations, that constitutes fraud or criminal activity in connection with the performance of the Collateral Manager's obligations under the Collateral Management and Administration Agreement; or

(vii) the Collateral Manager is indicted, or any of its senior executive officers is convicted, of a criminal offence under the laws of any jurisdiction in which it conducts business, materially related to the Collateral Manager's asset management business, unless, in the case of a conviction of a senior executive officer of the Collateral Manager, such senior executive officer has, within 30 days after such occurrence, been removed from performing work in fulfilment of the Collateral Manager's obligations under the Collateral Management and Administration Agreement.

Pursuant to the terms of the Collateral Management and Administration Agreement, if the Collateral Manager becomes aware that any of the events specified in clauses (i) through (vii) (inclusive) above has occurred, the Collateral Manager will be required to give prompt written notice thereof to the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty, each Rating Agency and the holders of all outstanding Notes upon the Collateral Manager becoming aware of the occurrence of such event.

Automatic Termination

The Collateral Management and Administration Agreement shall be automatically terminated upon the earliest to occur of (a) the repayment in full of all amounts owing under or in respect of the Notes and all other amounts owing to the Secured Parties and the termination of the Trust Deed in accordance with its terms; (b) the liquidation of the Portfolio and the final distribution of the proceeds of such liquidation as provided in the Trust Deed; and (c) the Issuer determining in good faith that the Issuer or the Portfolio has become required to register as an investment company under the provisions of the Investment Company Act (without an available exemption) by virtue of any action taken by the Collateral Manager, and the Issuer notifies the Collateral Manager of such requirement.

Resignation

The Collateral Manager may resign upon 45 days' (or such shorter notice as is acceptable to the Issuer) written notice to the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and each Rating Agency. Such resignation will not be effective until the date as of which a successor Collateral Manager has been appointed as described below.

Appointment of Successor

Upon any removal or resignation of the Collateral Manager, to the extent it is permitted to do so in compliance with any applicable law or regulation, the Collateral Manager will continue to act in such capacity until a successor Collateral Manager meeting the successor requirements set out below has been appointed in accordance with the terms of the Collateral Management and Administration Agreement.

Within 120 days of the resignation, termination or removal of the Collateral Manager while any of the Notes are outstanding, the Subordinated Noteholders (acting by Ordinary Resolution) may propose a successor Collateral Manager by delivering notice thereof to the Issuer, the Trustee and the holders of the Notes, in which case, *provided that* the holders of the Controlling Class (acting by Ordinary Resolution) do not object within 15 days after the giving of notice thereof, the Issuer will appoint such proposed successor Collateral Manager as Collateral Manager. If the Subordinated Noteholders (acting by Ordinary Resolution) make no such proposal within such 120-day period, the Controlling Class (acting by Ordinary Resolution) may propose a successor Collateral Manager by delivering notice thereof to the Issuer, the Trustee and the holders of the Notes (*provided that* no such proposed successor Collateral Manager may be an Affiliate of a holder of the Controlling Class), in which case the Issuer will appoint such proposed successor Collateral Manager as Collateral Manager. If no successor Collateral Manager has been appointed within 150 days of the resignation, termination or removal of the Collateral Manager while any of the Notes are outstanding, the Issuer will appoint a successor Collateral Manager of its choice as Collateral Manager, which appointment will be final. If, pursuant to "*Description of the Retention Holder and Retention Requirements – The Retention Requirements*" above and the EU Retention Requirements, such successor Collateral Manager is to be the Retention Holder for the purposes of the EU Retention Requirements, its appointment shall be conditional on it acquiring and retaining the Retention Notes in accordance with "*Description of the Retention Holder and Retention Requirements – The Retention Requirements*" above on and from the date that its appointment takes effect and the EU Retention Requirements being satisfied on and from such date.

Any replacement Collateral Manager must satisfy the conditions described below under "*Successor Requirements*".

Assignment by Collateral Manager

The Collateral Management and Administration Agreement provides that, except as described in the following paragraphs, no rights or obligations under the Collateral Management and Administration Agreement (or any interest therein) may be assigned or delegated by the Collateral Manager. In addition, no such assignment or delegation by the Collateral Manager will be effective if such assignment is to a transferee that does not qualify as an eligible successor as described below under "*Successor Requirements.*"

The Collateral Manager is permitted to assign its rights and delegate its duties under the Collateral Management and Administration Agreement to any transferee or delegate (including Affiliates) so long as (i) such assignment or delegation is consented to by the Issuer and the Subordinated Noteholders acting by Ordinary Resolution, *provided that* no such consent shall be required if the assignment or delegation is to an Affiliate of the Collateral Manager (ii) each Rating Agency has confirmed in writing that the then-current rating assigned by such Rating Agency to any of the Notes will not be reduced, withdrawn or qualified as a result of such assignment or delegation, (iii) such transferee or delegate is legally qualified and has the regulatory capacity as a matter of Dutch law to act as such, including the regulatory capacity to offer portfolio management services to Dutch residents such as the Issuer, (iv) such assignment or delegation will not cause the Issuer to become chargeable to taxation in any jurisdiction other than The Netherlands (v) such assignment will not cause additional value added tax to become payable by the Issuer or the assignee in respect of the Collateral Management Fees and (vi) if pursuant to "*Description of the Retention Holder and Retention Requirements – The Retention Requirements*" and the EU Retention Requirements, such transferee or delegate is to be the Retention Holder for the purposes of the EU Retention Requirements, the appointment of such transferee or delegate will be conditional upon it acquiring and committing to retain the Retention Notes in accordance with "*Description of the Retention Holder and Retention Requirements – The Retention Requirements*" above on and from the date that its appointment takes effect and the EU Retention Requirements being satisfied on and from such date. Any transferee or delegate must satisfy the conditions described above under "*Appointment of Successor*".

Any assignment in accordance with the Collateral Management and Administration Agreement will bind the assignee in the same manner as the Collateral Manager is bound. Upon the execution and delivery of a counterpart of the Collateral Management and Administration Agreement by the assignee, the Collateral Manager will be released from further obligations under the Collateral Management and Administration Agreement, except with respect to (x) its agreements and obligations arising under various sections of the Collateral Management and Administration Agreement in respect of acts or omissions occurring prior to such assignment and (y) its obligations under the Collateral Management and Administration Agreement in respect of acts upon termination. Any rights of the Collateral Manager stated to survive the termination of the Collateral Management and Administration Agreement, shall remain vested in the Collateral Manager after the termination in accordance with the terms of the Collateral Management and Administration Agreement.

In addition, the Collateral Manager may employ third parties (including Affiliates) to render advice (including investment advice) and assistance to the Issuer; provided that (A) the Collateral Manager will not be relieved of any of its duties under the Collateral Management and Administration Agreement as a result of such employment of third parties and (B) the Collateral Manager will 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 Collateral Management and Administration Agreement. The Collateral Manager may not, however, assign or delegate any of its rights or responsibilities, nor permit Affiliates or third parties to perform services on its behalf, if such assignment, delegation or permission would in its reasonable determination (acting in accordance with the Standard of Care) cause the Issuer to be subject to tax in any jurisdiction outside its jurisdiction of incorporation. Any third party employed shall have the requisite Dutch regulatory capacity (if required) in respect of the relevant service to be provided to the Issuer.

Successor Requirements

Any removal or resignation of the Collateral Manager as described above or termination of the Collateral Management and Administration Agreement that occurs while any Notes are outstanding under the Trust Deed will be effective only if (i) 10 days' prior notice is given by the Issuer to the Rating Agencies, the Trustee and the Noteholders (and, in relation to the Trustee and the Noteholders, such notice shall include the terms of appointment of the successor Collateral Manager, including any side letters or personal arrangements between the successor Collateral Manager and any Noteholder), (ii) Rating Agency Confirmation has been received from each Rating Agency in respect of such termination and assumption by an eligible successor and (iii) the Issuer appoints an established institution as a successor Collateral Manager (1) that has demonstrated an ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager under the Collateral Management and Administration Agreement with a substantially similar (or better) level of expertise, (2) that is legally qualified and has the capacity (including Dutch regulatory capacity to provide collateral management services to Dutch counterparties as a matter of the laws of The Netherlands) to act as Collateral Manager in the assumption of all of the responsibilities, duties and obligations of the Collateral Manager under the Collateral Management and Administration Agreement and under the applicable terms of the other Transaction Documents, (3) the appointment of which will not cause any of the Issuer, the Portfolio or the Collateral Manager to become required to be registered as an investment company under the provisions of the Investment Company Act, (4) the appointment and conduct of which will not cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation or to be, or deemed to be, engaged in a trade or business in the United States for U.S. federal income tax purposes, result in the Collateral Management Fees becoming subject to value added or similar tax or cause any other material adverse tax consequences to the Issuer, and (5) that if, pursuant to "*Description of the Retention Holder and Retention Requirements – The Retention Requirements*" above and the EU Retention Requirements, such successor Collateral Manager is to be the Retention Holder for the purposes of the EU Retention Requirements, it acquires and commits to retain the Retention Notes in accordance with "*Description of the Retention Holder and Retention Requirements – The Retention Requirements*" above on and from the date that its appointment takes effect and the EU Retention Requirements are satisfied on and from such date. The Issuer, the Trustee and the successor Collateral Manager will take such action (or cause the outgoing Collateral Manager to take such action) consistent with the Collateral Management and Administration Agreement and the terms of the other Transaction Documents as will be necessary to effectuate any such succession. No termination of the appointment of the Collateral Manager will be effective until a successor

Collateral Manager is duly appointed. Any resignation, termination or removal of the Collateral Manager must satisfy the conditions described above under "*Appointment of Successor*".

No Voting Rights

Any Notes held by or on behalf of the Collateral Manager or any of its Affiliates:

(i) will have no voting rights with respect to any vote (or written direction or consent) in connection with:

  (a) the removal of the Collateral Manager for "cause" pursuant to the "*Removal for Cause*" process described above;

  (b) the appointment of a successor Collateral Manager following a removal for "cause"; or

  (c) the assignment or delegation by the Collateral Manager of its obligations under the Collateral Management and Administration Agreement; and

(ii) will be deemed not to be Outstanding in connection with any such vote,

provided, however, that any Notes held by the Collateral Manager and/or its Affiliates will have voting rights (including in respect of written directions and consents) with respect to all other matters as to which Noteholders are entitled to vote. Prior to any vote (or written direction or consent) the Collateral Manager shall notify the Issuer and the Trustee in writing of the aggregate outstanding principal amount of any Notes held by the Collateral Manager at the time of such notification.

Cross-transactions with the Collateral Manager

The Collateral Manager will cause any purchase of or entry into or sale, termination or other disposal of Portfolio assets to be effected on an arm's length basis, *provided that*, subject to and in accordance with the Collateral Management and Administration Agreement, the Collateral Manager shall cause any transaction between the Issuer and itself or any of its Affiliates to be (i) on economic and other material terms and conditions no less advantageous to the Issuer than would have governed such transaction were it negotiated on an arm's length basis, (ii) conducted in accordance with all applicable laws (including Section 206(3) of the Investment Advisers Act and the rules and regulations promulgated thereunder) and (iii) in the event that the consent of an independent third party is required in connection with such purchase or sale under applicable law, effected only upon receipt of consent from an Independent third party that is competent and qualified to give such consent.

DESCRIPTION OF THE COLLATERAL ADMINISTRATOR

The information appearing in this section has been prepared by the Collateral Administrator and has not been independently verified by the Issuer, the Sole Arranger, the Initial Purchaser or any other party. None of the Issuer, the Sole Arranger, 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 on 30 September 2008 under the form of a Société Anonyme/Naamloze Vennootschap. It was granted its banking license by the CBFA (the Belgian supervisor prior to the implementation of the Twin Peaks model) on March 10 2009. It has its headquarters and main establishment at 46 rue Montoyerstraat, 1000 Bruxelles/Brussels. The Bank of New York Mellon S.A./N.V. is a subsidiary of BNY Mellon, the main banking subsidiary of The BNY Mellon Corporation. It is under the prudential supervision of the National Bank of Belgium and regulated by the Belgian Financial Services and Markets Authority in respect of Conduct of Business. The Bank of New York Mellon S.A./N.V. engages in asset servicing, global collateral management, global markets, corporate trust and depositary receipts. The Bank of New York Mellon S.A./N.V. operates from locations in Belgium, The Netherlands, Germany, London, Luxembourg, Paris and Dublin.

Termination and Resignation of Appointment of the Collateral Administrator

Pursuant to the terms of the Collateral Management and Administration Agreement, the Collateral Administrator may be removed (a) without cause at any time upon at least 90 days' prior written notice or (b) with cause upon at least 10 days' prior written notice, in each case by the Issuer at its discretion or the Trustee acting upon the written directions of 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 45 days' prior written notice and with cause upon at least 10 days' prior written notice to the Issuer. 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 Collateral Management and Administration Agreement.

HEDGING ARRANGEMENTS

The following section consists of a summary of certain provisions which, pursuant to the Collateral Management and Administration Agreement, are required to be contained in each Hedge Agreement and Hedge Transaction. Such summary does not purport to be complete and is qualified by reference to the detailed provisions of each Hedge Agreement and Hedge Transaction. The terms of a Hedge Agreement or Hedge Transaction may differ from the description provided herein, subject to receipt of Rating Agency Confirmation in respect thereof or without Rating Agency Confirmation if such Hedge Transaction constitutes a Form Approved Hedge.

Hedge Agreements

Subject to the satisfaction of the Hedging Condition, the Issuer (or the Collateral Manager on its behalf) may enter into transactions documented under a 1992 (Multicurrency-Cross Border) or 2002 Master Agreement or such other form published by the International Swaps and Derivatives Association, Inc. ("**ISDA**"). Each Hedge Transaction will be evidenced by a confirmation entered into pursuant to a Hedge Agreement.

Each Hedge Transaction will be for the purposes of:

(a) in the case of an Interest Rate Hedge Transaction, hedging any interest rate mismatch between the Rated Notes and the Collateral Obligations; and

(b) in the case of a Currency Hedge Transaction, exchanging payments of principal, interest and other amounts in respect of any Non-Euro Obligation for amounts denominated in Euros at the Currency Hedge Transaction Exchange Rate,

in each case subject to receipt of Rating Agency Confirmation in respect thereof (save in the case of a Form Approved Hedge) and *provided that* the Hedge Counterparty satisfies the applicable Rating Requirement (taking into account any guarantor thereof) and has the Dutch regulatory capacity to enter into derivatives transactions with Dutch residents.

For the avoidance of doubt, the ability of the Issuer or the Collateral Manager on its behalf to enter into any Currency Hedge Transactions, and therefore the ability of the Issuer or the Collateral Manager on its behalf to acquire Non-Euro Obligations, is subject to the satisfaction of the Hedging Condition.

Replacement Hedge Transactions

The Issuer shall not enter into any Replacement Hedge Transaction unless the Hedging Condition is satisfied.

***Currency Hedge Transactions*.** In the event that any Currency Hedge Transaction terminates in whole at any time other than in circumstances where the Collateral Manager intends to sell the related Non-Euro Obligation on behalf of the Issuer or a Redemption Date has or is scheduled to occur, the Issuer (or the Collateral Manager on its behalf) shall use commercially reasonable endeavours to enter into a replacement Currency Hedge Transaction within 30 days of the termination thereof with a counterparty which (or whose guarantor) satisfies the applicable Rating Requirement and which has the Dutch regulatory capacity to enter into derivatives transactions with Dutch residents.

***Interest Rate Hedge Transactions*.** In the event that any Interest Rate Hedge Transaction terminates in whole at any time in circumstances in which the applicable Interest Rate Hedge Counterparty is the "Defaulting Party" or sole "Affected Party" (each as defined in the applicable Interest Rate Hedge Agreement) the Issuer (or the Collateral Manager on its behalf) shall use commercially reasonable endeavours to enter into a replacement Interest Rate Hedge Transaction within 30 days of the termination thereof with a counterparty which (or whose guarantor) satisfies the applicable Rating Requirement and which has the Dutch regulatory capacity to enter into derivatives transactions with Dutch residents.

Standard Terms of Currency Hedge Transactions

Any Currency Hedge Transaction shall contain the following terms (provided that the Issuer may enter into Currency Hedge Transactions on different terms than those set forth below, subject to receipt of Rating Agency Confirmation in respect thereof or such Currency Hedge Transaction being a Form Approved Hedge):

(a) on the effective date of entry into such transaction, the Issuer pays to the Currency Hedge Counterparty an initial exchange amount in Euros equal to the purchase price of such Non-Euro Obligation, converted into Euros at the Currency Hedge Transaction Exchange Rate in exchange for payment by the Currency Hedge Counterparty of an initial exchange amount in the relevant currency equal to the purchase price of such Non-Euro Obligation;

(b) on the scheduled date of termination of such transaction, which shall be the date falling two Business Days after the date on which the Non-Euro Obligation is scheduled to mature or such later date as otherwise specified in the relevant confirmation, the Issuer pays to the Currency Hedge Counterparty a final exchange amount equal to the amount payable upon maturity of the Non-Euro Obligation in the relevant currency (the "**Proceeds on Maturity**") in exchange for payment by the Currency Hedge Counterparty of a final exchange amount denominated in Euros, such final exchange amount to be an amount equal to the Proceeds on Maturity converted into Euros at the Currency Hedge Transaction Exchange Rate;

(c) two Business Days following the date of each scheduled payment of interest on the related Non-Euro Obligation or such later date as otherwise specified in the relevant confirmation, the Issuer pays to the Currency Hedge Counterparty an amount in the relevant non-Euro currency based on the principal amount outstanding from time to time of the relevant Non-Euro Obligation (the "**Non-Euro Notional Amount**") and equal to the interest payable in respect of the Non-Euro Obligation and the Currency Hedge Counterparty will pay to the Issuer an amount based on the outstanding principal amount of the related Non-Euro Obligation and equal to the interest payable in respect of the Non-Euro Obligation converted into Euros at the Currency Hedge Transaction Exchange Rate (the "**Euro Notional Amount**"); and

(d) following the sale of any Non-Euro Obligation, the Issuer shall pay to the Currency Hedge Counterparty an amount equal to the sale proceeds of such Non-Euro Obligation in the relevant currency (the "**Proceeds on Sale**") in exchange for payment by the Currency Hedge Counterparty of an amount denominated in Euros, such amount to be an amount equal to the Proceeds on Sale converted into Euros at the Currency Hedge Transaction Exchange Rate less any amounts payable to the Currency Hedge Counterparty in respect of the early termination of the relevant Currency Hedge Transaction (but, for the avoidance of doubt, no breakage or other costs will be payable to the Currency Hedge Counterparty in connection with a prepayment, repayment or redemption of the related Non-Euro Obligation).

The Collateral Manager, acting on behalf of the Issuer, shall convert all amounts received by it in respect of any Non-Euro Obligation which is not the subject of a related Currency Hedge Transaction into Euros promptly upon receipt thereof at the then prevailing Spot Rate and shall procure that such amounts are paid into the Principal Account or the Interest Account, as applicable. The Collateral Manager (on behalf of the Issuer) is also authorised to enter into spot exchange transaction, as necessary, to fund the Issuer's payment obligations under any Currency Hedge Transaction.

All amounts received by the Issuer in respect of Non-Euro Obligations shall be paid into the appropriate Currency Account and all amounts payable by the Issuer under any Currency Hedge Transaction (other than any initial exchange amounts payable in Euros by the Issuer, any Currency Hedge Replacement Payments and any Currency Hedge Issuer Termination Payments save to the extent otherwise provided in Condition 3(k)(ix) (*Currency Accounts*)) will be paid out of the appropriate Currency Account, in each case to the extent amounts are available therein.

The Issuer shall only be obliged to pay Scheduled Periodic Currency Hedge Issuer Payments to a Currency Hedge Counterparty if and to the extent it actually receives the corresponding amount in respect of the relevant Non-Euro Obligation.

Standard Terms of 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 applicable Hedge Counterparty and subject to receipt of Rating Agency Confirmation in respect thereof (other than in respect of any Form Approved Hedges).

Gross up

Under each Hedge Agreement neither the Issuer nor the applicable Hedge Counterparty will be obliged to gross up any payments thereunder in the event of any withholding or deduction for or on account of tax required to be paid on such payments. Any such event may however result in a "**Tax Event**" which is a "**Termination Event**" for the purposes of the relevant Hedge Agreement. In the event of the occurrence of a Tax Event (as defined in such Hedge Agreement), each Hedge Agreement will include provision for the relevant Affected Party (as defined therein) to use reasonable endeavours to (i) (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 (ii) (in the case of the Issuer) 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 Payments set out in Condition 3(c) (*Priorities of Payments*). 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 but are not limited to:

(a) certain events of bankruptcy, insolvency, receivership or reorganisation of the Issuer or the related Hedge Counterparty;

(b) failure on the part of the Issuer or the related Hedge Counterparty to make any payment under the applicable Hedge Agreement after taking into account the applicable grace period;

(c) a change in law making it illegal for either the Issuer or the related Hedge Counterparty to be a party to, or perform its obligations under, the applicable Hedge Agreement;

(d) a regulatory change or change in the regulatory status of the Issuer which cannot be remedied by a modification of the relevant Hedge Agreement, as further described in the relevant Hedge Agreement;

(e) any amendment to any provisions of the Transaction Documents without the written consent of the Hedge Counterparty which would have a material adverse effect on its rights thereunder, or as further described in the relevant Hedge Agreement;

(f) failure by a Hedge Counterparty to comply with the requirements of the Rating Agencies in the event that it (or, as relevant, its guarantor) is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement;

(g) upon the early redemption in full or acceleration of the Notes; and

(h) any other event as specified in the relevant Hedge Agreement.

Hedge Agreements commonly also contain provisions which allow a Hedge Counterparty to terminate a Hedge Transaction upon the occurrence of certain credit events or restructurings related to the underlying Non-Euro Obligation. These events could potentially be triggered in circumstances where the related Collateral Obligation would not constitute a Defaulted Obligation.

A termination of a Hedge Agreement or Hedge Transaction does not constitute an Event of Default under the Notes though the repayment in full of the Notes may be an additional termination event under a Hedge Agreement.

Upon the occurrence of any Event of Default or Termination Event (each as defined in the applicable Hedge Agreement), a Hedge Agreement may be terminated by the Hedge Counterparty or the Issuer (or the Collateral Manager on its behalf) in accordance with the detailed provisions thereof and a lump sum (the "**Termination Payment**") may become payable by the Issuer to the applicable Hedge Counterparty or vice versa. Depending on the terms of the applicable Hedge Agreement, such Termination Payment may be determined by the applicable Hedge Counterparty and/or Issuer (or the Collateral Manager on its behalf) by reference to market quotations obtained in respect of the entry into a replacement swap(s) on the same terms as that terminated or as otherwise described in the applicable Hedge Agreement or any loss suffered by a party, subject to and in accordance with the relevant Hedge Agreement.

Rating Downgrade Requirements

Each Hedge Agreement will contain provisions requiring certain remedial action to be taken in the event that the Hedge Counterparty (or, as relevant, its guarantor) is subject to a rating withdrawal or downgrade, such provisions being in accordance with the rating methodology of the Rating Agencies at the time of entry into such Hedge Agreements. Such provisions may include a requirement that a Hedge Counterparty must post collateral or transfer the Hedge Agreement to another entity (or, as relevant, its guarantor) 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 Collateral Manager, acting on behalf of the Issuer, may not modify any Hedge Transaction or Hedge Agreement without Rating Agency Confirmation in relation to such modification, save to the extent that it would constitute a Form Approved Hedge following such modification. A Hedge Counterparty may transfer its rights and obligations under a Hedge Agreement to any institution which (or whose credit support provider (as defined in the applicable Hedge Agreement)) satisfies the applicable Rating Requirement and *provided that* such institution has the Dutch 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, English law.

Reporting of Specified Hedging Data

The Collateral Manager, on behalf of the Issuer, may from time to time enter into one or more agreements (each a "**Reporting Delegation Agreement**") for the delegation of certain derivative transaction reporting obligations to one or more Hedge Counterparties or third parties (each, in such capacity, a "**Reporting Delegate**").

Each Reporting Delegation Agreement, 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 and Wales.

DESCRIPTION OF THE REPORTS

Monthly Reports

The Collateral Administrator, not later than the fifteenth calendar day of each month (and if such day is not a Business Day, the immediately following Business Day) (save in respect of any month for which a Payment Date Report has been prepared) commencing in December 2017 on behalf, and at the expense, of the Issuer and in consultation with the Collateral Manager, shall compile a monthly report (the "**Monthly Report**"), which shall contain, without limitation, the information set out below with respect to the Portfolio, determined by the Collateral Administrator as at the last calendar day of the preceding month (or if such day is not a Business Day, the immediately preceding Business Day) in consultation with the Collateral Manager. Each Monthly Report shall be made available via a secured website currently located at https://gctinvestorreporting.bnymellon.com, which shall be accessible to the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager, the Hedge Counterparties and the Rating Agencies and, upon request therefor in accordance with Condition 4(f) (*Information Regarding the Collateral*), to any Noteholder or any person who informs the Collateral Administrator in writing that it is a prospective investor in the Notes by way of a unique password. For the purposes of the Reports, obligations which are to constitute Collateral 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 Obligations as if such purchase had been completed and obligations in respect of which the Issuer has entered into a binding commitment to sell, but in respect of which such sale has not yet settled, shall be excluded from being Collateral Obligations as if such sale had been completed.

Portfolio

(a) the Aggregate Principal Balance of the Collateral Obligations and Eligible Investments representing Principal Proceeds;

(b) the Collateral Principal Amount of the Collateral Obligations;

(c) the Adjusted Collateral Principal Amount of the Collateral Obligations;

(d) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Obligation, its Principal Balance (in the case of Deferring Obligations, both including and excluding capitalised or deferring interest), LoanX ID, CUSIP number, ISIN (where applicable) or identification thereof, annual interest rate or spread (and EURIBOR floor if any), facility, Collateral Obligation Stated Maturity, Obligor, the Domicile of the Obligor, currency, Moody's Recovery Rate, Moody's Rating, Fitch Rating, Fitch Recovery Rate and any other public rating (other than any confidential credit estimate), its Moody's industry category and Fitch industry category;

(e) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Obligation, whether such Collateral Obligation is a Secured Senior Loan, Mezzanine Loan, Second Lien Loan, Unsecured Senior Loan, Semi-Annual Obligation, DIP Loan, PIK Obligation, Current Pay Obligation, Revolving Obligation, Delayed Drawdown Collateral Obligation, Bridge Loan, Discount Obligation, a Swapped Non-Discount Obligation and/or a Deferring Obligation;

(f) 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, Collateral Obligation Stated Maturity and Obligor, details of the type of instrument it represents and details of any amounts payable thereunder or other rights accruing pursuant thereto;

(g) subject to any confidentiality obligations binding on the Issuer, the number, identity and, if applicable, Principal Balance of, respectively, any Collateral 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 Collateral Management and Administration Agreement pursuant to which such sale or other disposition was made), the Aggregate Principal Balances of Collateral Obligations released for sale or other disposition at the Collateral 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), the sale price thereof and identity of any of the purchasers thereof (if any) that are Affiliated with the Collateral Manager;

(h) subject to any confidentiality obligations binding on the Issuer, the purchase or sale price of each Collateral 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 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 Collateral Manager;

(i) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Obligation which became a Defaulted Obligation or Deferring Obligation or in respect of which an Exchanged Equity Security has been received since the date of determination of the last Monthly Report and the identity and Principal Balance of each Moody's Caa Obligation, Fitch CCC Obligation and Current Pay Obligation;

(j) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral 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;

(k) the Aggregate Principal Balance of Collateral Obligations which were upgraded or downgraded since the most recent Monthly Report and of which the Collateral Administrator or the Collateral Manager has actual knowledge;

(l) the approximate Market Value of, respectively, the Collateral Obligations and the Collateral Enhancement Obligations as provided by the Collateral Manager;

(m) in respect of each Collateral Obligation, its Moody's Rating and Fitch 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;

(n) the Aggregate Principal Balance of Collateral Obligations comprising Participations in respect of which the Selling Institutions are not the lenders of record; and

(o) a commentary provided by the Collateral Manager with respect to the Portfolio.

Accounts

(a) the Balances standing to the credit of each of the Accounts;

(b) the identity (subject to any confidentiality obligations binding on the Issuer) of each entity at which each of the Accounts is held; and

(c) the purchase price, principal amount, redemption price, annual interest rate, maturity date, the then current Fitch rating and Moody's rating and Obligor under each Eligible Investment purchased from funds in the Accounts.

Hedge Transactions

(a) the details of each Hedge Agreement (including the name of the relevant Hedge Counterparty);

(b) in respect of each Hedge Transaction, (i) the outstanding notional amount, (ii) the current rate of EURIBOR and the applicable base rate in the non-Euro currency, (iii) the applicable spread and (iv) the Currency Hedge Transaction Exchange Rate, in each case applicable to such Hedge Transaction;

(c) the amount scheduled to be received and paid by the Issuer pursuant to each Hedge Transaction on or before the next Payment Date;

(d) the then current Fitch rating and, if applicable, Moody's rating in respect of each Hedge Counterparty and whether such Hedge Counterparty satisfies the Rating Requirements; and

(e) 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 (in the case of a Frequency Switch Event occurring under paragraph (1) of the definition thereof, to the extent notified by the Collateral Manager to the Collateral Administrator).

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 and 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) from and after the Effective Date and during the Reinvestment Period, a statement as to whether the Reinvestment Par Value Test is satisfied;

(d) the Weighted Average Life and a statement as to whether the Weighted Average Life Test is satisfied;

(e) so long as any Notes rated by Moody's or any Notes rated by Fitch are Outstanding, the Weighted Average Floating Spread (shown as including and excluding the Aggregate Excess Funded Spread) and the amount of the Aggregate Excess Funded Spread;

(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 Obligation, (A) the name of the Obligor; (B) the Moody's Default Probability Rating (if public); (C) the name of the Collateral 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 Obligation; (E) the Moody's Rating of the Collateral Obligation (if public); and (F) the Moody's assigned recovery rate (if the relevant Collateral Obligation has a Moody's Rating which is public);

(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;

(i) so long as any Notes rated by Moody's are Outstanding, a statement as to whether the Moody's Minimum Weighted Average Floating Spread Test is satisfied;

(j) so long as any Notes rated by Fitch are Outstanding, whether or not the Fitch Maximum Weighted Average Rating Factor Test is satisfied;

(k) so long as any Notes rated by Fitch are Outstanding, whether or not the Fitch Minimum Weighted Average Recovery Rate Test is satisfied;

(l) so long as any Notes rated by Fitch are Outstanding, whether or not the Fitch Minimum Weighted Average Spread Test is satisfied;

(m) so long as any Notes rated by Moody's or any Notes rated by Fitch are Outstanding, whether or not the Minimum Weighted Average Floating Spread Test is satisfied; and

(n) a statement identifying any Collateral Obligation in respect of which the Collateral Manager has made its own determination of "**Market Value**" (pursuant to the definition thereof) for the purposes of any of the Coverage Tests.

Portfolio Profile Tests

(a) in respect of each Portfolio Profile Test, a statement as to whether such test is satisfied, together with details of the result of the calculations required to be made in order to make such determination which details shall include the applicable numbers, levels and/or percentages resulting from such calculations;

(b) the identity and Fitch Rating and Moody's Rating of each Selling Institution, together with any changes in the identity of such entities since the date of determination of the last Monthly Report and details of the aggregate amount of Participations entered into with each such entity; and

(c) a statement as to whether the limits specified in the Bivariate Risk Table are met by reference to the Fitch Ratings and Moody's 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 Retention Holder that:

(i) it continues to hold the Retention Notes; and

(ii) it has not sold, hedged or otherwise mitigated its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Obligations, except to the extent permitted in accordance with the EU Retention Requirements or paragraph 2.1 of the Retention Undertaking Letter.

Payment Date Report

The Collateral Administrator, on behalf, and at the expense, of the Issuer and in consultation with the Collateral Manager, shall render a report not later than 11.00 a.m. (London time) on the Business Day preceding the related Payment Date (the "**Payment Date Report**"), prepared and determined as of each Determination Date, and made available via a secured website currently located at https://gctinvestorreporting.bnymellon.com, which shall be accessible to the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager, the Hedge Counterparties and the Rating Agencies and, upon request therefor in accordance with Condition 4(f) (*Information Regarding the Collateral*), to any Noteholder or any person who informs the Collateral Administrator in writing that it is a prospective investor in the Notes by way of a unique password. Upon issue of each Payment Date Report, the Collateral Administrator, in the name and at the expense of the Issuer, shall notify the Irish Stock Exchange of the Principal Amount Outstanding of each Class of Notes after giving effect to the principal payments, if any, on the next Payment Date. The Payment Date Report shall contain the following information:

Portfolio

(a) the Aggregate Principal Balance of the Collateral Obligations as of the close of business on such Determination Date, after giving effect to (A) Principal Proceeds received on the Collateral

Obligations with respect to the related Due Period and the reinvestment of such Principal Proceeds in Substitute Collateral Obligations during such Due Period and (B) the purchase and disposal of any Collateral Obligations during such Due Period;

(b) subject to any confidentiality obligations binding on the Issuer, a list of, respectively, the Collateral 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; and

(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 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 (in the case of a Frequency Switch Event occurring under paragraph (1) of the definition thereof, to the extent notified by the Collateral Manager to the Collateral Administrator).

Payment Date Payments

(a) the amounts payable and amounts paid pursuant to the Interest Priority of Payments, the Principal Proceeds of Payments and the Post-Acceleration Priority of Payments;

(b) the Trustee Fees and Expenses, the amount of any Collateral Management Fees and Administrative Expenses payable on the related Payment Date, in each case, on an itemised basis; and

(c) any Defaulted Currency Hedge Termination Payments, Defaulted Interest Rate Hedge Termination Payments, Hedge Counterparty Termination Payments, Hedge Issuer Termination Payments, Currency Hedge Issuer Termination Payments and Interest Rate Hedge Issuer 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 Payments on such Payment Date;

(f) the amounts payable from the Principal Account through a transfer to the Payment Account pursuant to the Priorities of Payments on such Payment Date;

(g) the amounts payable from any other Accounts (through a transfer to the Payment Account) pursuant to the Priorities of Payments 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.

Miscellaneous

Each report shall state that it is for the purposes of information only, that certain information included in the report is estimated, approximated or projected and that it is provided without any representations or warranties as to the accuracy or completeness thereof and that none of the Collateral Administrator, the Trustee, the Issuer or the Collateral 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.

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.

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.

Investors should note that with respect to paragraph (ii) 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 (a) 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 (b) holds rights to acquire, directly or indirectly, such interest; or (c) 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:

(i) 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 taxing authority thereof or therein;

(ii) 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:

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

(B) 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

(C) 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);

(iii) 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:

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

(B) 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;

(iv) 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;

(v) 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; and

(vi) 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

3.1. In General

The following summary describes certain U.S. federal income tax consequences of the purchase, ownership, disposition and retirement of the Notes by an initial purchaser of the Notes. It does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase Notes. In addition, this summary does not describe any tax consequences arising under the laws of any taxing jurisdiction other than the U.S. federal government. See "*Netherlands Taxation*" above for a discussion of certain Dutch tax consequences of an investment in the Notes. In general, the summary assumes that a holder acquires a Note at original issuance (and, in the case of the Rated Notes, at its issue price) and holds such Note as a capital asset and not as part of a hedge, straddle, or conversion transaction.

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 or the possible application of the alternative minimum tax or 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:

- are broker dealers, securities traders, insurance companies, tax exempt organisations, banks and other financial institutions, real estate investment trusts, regulated investment companies, certain former citizens or residents of the United States, partnerships or other pass-through entities or grantor trusts;
- hold Notes as part of a "straddle," "hedge," "conversion," "integrated transaction" or "constructive sale" with other investments;
- own or are deemed to own 10 per cent. or more, by voting power or value, of the equity of the Issuer (including the Subordinated Notes and Notes treated as equity for U.S. federal income tax purposes); or
- are the Collateral Manager.

In addition, this discussion does not address the U.S. tax implications in relation to any contributions to or distributions from the Contributions Account.

This discussion considers only holders that will hold Notes as capital assets and does not address special tax consequences that apply to holders whose functional currency is not the U.S. dollar.

For the purposes of this discussion, the term "**U.S. Holder**" means a beneficial owner of a Note who or which for U.S. federal income tax purposes is:

- a citizen or individual resident of the United States;
- a corporation (or an entity treated as a corporation for U.S. federal income tax purposes) created or organised under the laws of the United States or any political subdivision thereof or therein;
- an estate, the income of which is subject to U.S. federal income tax regardless of the source; or
- 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 United States 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 a beneficial owner of a Note that is neither a U.S. Holder nor a partnership (or an entity treated as a partnership for U.S. federal income tax purposes).

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 on 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 holders of Notes 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 taxing jurisdiction, to their particular situation.

3.2. U.S. Taxation of the Issuer

The Issuer will be treated as a corporation for U.S. federal income tax purposes and this summary assumes that no election will be made for the Issuer to be treated otherwise.

The Issuer expects to conduct its affairs so that it will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes (including as a result of lending activities). As a consequence, the Issuer expects that its net income will not become subject to U.S. federal income tax. There can be no assurance, however, that the Issuer's net income will not become subject to U.S. federal income tax. In this regard, on the Issue Date White & Case LLP will provide an opinion to the Issuer to the effect that, under current law and assuming compliance with the Trust Deed, the Collateral Management and Administration Agreement, the Warehouse Arrangements and other related documents, and assuming the Issuer conducts its activities in accordance with certain assumptions and representations as to the Issuer's contemplated activities, while there are no authorities that deal with situations substantially identical to the Issuer's, the Issuer's contemplated activities will not cause it to be engaged in a trade or business within the United States for U.S. federal income tax purposes. Investors should be aware, however, that the opinion simply represents counsel's best judgement, and is not binding on the IRS, or the courts. In this regard, the Issuer could be treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes as a result of unanticipated activities, changes in law, contrary conclusions by the IRS or other causes. In addition, investors should be aware that the opinion referred to above will expressly rely on the Collateral Manager's compliance with the investment guidelines set out in the Collateral Management and Administration Agreement and the Warehouse Arrangements which are intended to prevent the Issuer from engaging in activities that could give rise to a trade or business within the United States for U.S. federal income tax purposes. Although the Collateral Manager has generally undertaken to comply with the investment guidelines set out in the Collateral Management and Administration Agreement and the Warehouse Arrangements, the Collateral Manager is permitted to depart from the investment guidelines set out in the Collateral Management and Administration Agreement and the Warehouse Arrangements if it obtains tax advice or an opinion from counsel of nationally recognised standing in the United States experienced in such matters which concludes that the departure, when considered in light of the other activities of the Issuer, will not cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. If the Issuer were determined to be engaged in a trade or business within the United States for U.S. federal income tax purposes, its income (computed possibly without any allowance for deductions) would be subject to U.S. federal income tax at the usual corporate rate, and possibly to a branch profits tax of 30 per cent. as well. The imposition of such taxes would materially affect the Issuer's financial ability to make payments on the Notes.

Although the Issuer does not intend to be subject to U.S. federal income tax with respect to its net income, income derived by the Issuer may be subject to withholding or gross income taxes imposed by the United States or other countries. In this regard and subject to certain exceptions, the Issuer may generally only acquire a particular Collateral Obligation if, at the time of commitment to purchase, either the interest payments thereon are not subject to withholding tax or the issuer of the Collateral Obligation is required to make "gross-up" payments. The Issuer may, however, be subject to withholding or gross income taxes in respect of FATCA (as discussed in more detail below), commitment fees and other similar fees in respect of Revolving Obligations and Delayed Drawdown Collateral Obligations, as well as with respect to amendment, waiver, consent and extension fees, and such withholding or gross income taxes may not be grossed up.

Notwithstanding the foregoing, there can be no assurance that income derived by the Issuer will not become subject to withholding or gross income taxes as a result of changes in law, contrary conclusions by the IRS or other causes. In that event, such withholding or gross income taxes could be applied retroactively to fees or other income previously received by the Issuer. To the extent that withholding or gross income taxes are imposed and not paid through withholding, the Issuer may be directly liable to the relevant taxing authority to pay such taxes.

Each holder and beneficial owner of a Note that is not a "**United States person**" (as defined in Section 7701(a)(30) of the Code) will make, or by acquiring such Note or an interest therein will be deemed to make, a representation to the effect that (A) either (i) it is not a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business (within the meaning 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, and (B) it is not purchasing the Note in order to reduce its U.S. federal income tax liability pursuant to a tax avoidance plan within the meaning of U.S. Treasury regulation section 1.881-3.

3.3. Characterisation of the Notes

White & Case LLP will provide an opinion to the Issuer on the Issue Date to the effect that the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be treated as debt for U.S. federal income tax purposes and that the Class E Notes should be treated as debt for U.S. federal income tax purposes. Such opinion will assume compliance with the transaction documents and the validity of certain assumptions and representations regarding the Notes. No opinion will be received with respect to the Class F Notes. The Issuer will treat all Classes of 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 Notes as debt for U.S. federal income tax purposes. 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 Notes, particularly the more junior Classes of 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. Under U.S. federal income tax principles, a strong likelihood exists that the Subordinated Notes will be treated as equity. 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.

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 any of the views expressed herein.

3.4. Taxation of Interest Income

Stated interest on the Rated Notes that is treated as "qualified stated interest" will be includible in income by a U.S. Holder when received or accrued in accordance with such holder's method of accounting. "Qualified stated interest" is generally stated interest that is "unconditionally payable" at least annually at a single fixed rate or certain floating rates. Interest is considered "unconditionally payable" if reasonable legal remedies exist to compel timely payment or the terms and conditions of the debt instrument make the likelihood of late payment (other than late payment that occurs within a reasonable grace period) or non-payment (ignoring the possibility of non-payment due to default, insolvency or similar circumstances) a remote contingency.

Stated interest on the Class A Notes and the Class B Notes should be treated as qualified stated interest and includible in accordance with the U.S. Holder's method of accounting. However, because interest on the Class C Notes, Class D Notes, Class E Notes and Class F Notes (collectively the "**Deferrable Notes**") is subject to deferral, the Issuer will take the position that payments of stated interest on the Deferrable Notes will not be treated as qualified stated interest. As a result, the Issuer will treat such interest as OID. If the Deferrable Notes have an issue price treated as equal to their principal amount, then the Deferrable Notes generally will be subject to one of the following rules: (i) special rules under the U.S. Treasury regulations regarding "variable rate debt instruments," (ii) a

special rule for debt instruments issued with OID that have a fixed yield, or (iii) rules analogous to the rules set out in Section 1272(a)(6) of the Code (the "**1272(a)(6) Method**"), as described further below. In all cases, the amount of OID that accrues on such Deferrable Notes in each accrual period should equal the amount of interest (including deferred interest) that accrues on such Deferrable Notes during such accrual period, even if such interest is deferred. This may result in the acceleration of income inclusion for cash method U.S. Holders.

3.5. Taxation of Original Issue Discount.

If the "stated redemption price at maturity" ("**SRPM**") of any Rated Note exceeds the "issue price" of such Rated Note by an amount that is greater than or equal to "*de minimis* OID" (i.e. an amount greater than or equal to 0.25 per cent. of the SRPM of such Rated Note multiplied by (i) the number of complete years from its issue date to its maturity or (ii) in the case of any instalment obligation, such Rated Note's weighted average maturity), such Rated Note will be treated as issued with OID. A Rated Note's "issue price" generally will be the first price at which a substantial amount of the Class of Rated Notes are treated as issued for cash (excluding sales to bond houses, brokers, or similar persons acting as underwriters, placement agents, or wholesalers). The SRPM generally will be all amounts required to be paid on the Rated Note other than payments of qualified stated interest. As mentioned above, because the Issuer will treat all amounts payable under the Deferrable Notes as part of the SRPM, the Deferrable Notes will likely be treated as issued with OID, which OID would include amounts payable on the Deferrable Notes as stated interest. The Class A Notes and Class B Notes generally will be treated as issued with OID only if their issue price is less than their principal amount by an amount that is greater than or equal to *de minimis* OID.

U.S. Treasury regulations applicable to debt instruments issued with OID do not provide rules for accruals of OID on debt instruments the payments on which are contingent as to time, such as the Rated Notes. Absent definitive guidance, the Issuer intends to treat the Rated Notes issued with OID (other than any Deferrable Notes with an issue price that is treated as equal to their principal amount, which will be treated as described in the second preceding paragraph above) as subject to either (i) special rules regarding "variable rate debt instruments" or (ii) the 1272(a)(6) Method. Under the 1272(a)(6) Method, if applicable, the amount of OID includible in an accrual period would be determined using an assumption as to the expected payments on the Rated Notes, which assumption would be reflected on a projected payment schedule prepared by the Issuer. The projected payment schedule would be utilised solely to determine the amount of OID to be included in income annually by holders of Rated Notes. As such, the calculation of the projected payment schedule would be based on a number of assumptions and estimates and would not a prediction of the actual amounts of payments on the Rated Notes or of the actual yield of the Rated Notes. In any case, however, the Issuer's determination would not be binding on the IRS.

Under the payment schedule, a U.S. Holder of Rated Notes will be required to include OID in gross income as interest as it accrues, regardless of the holder's method of tax accounting. The amount of OID that a U.S. Holder must include in gross income for each taxable year is the sum of the "daily portions" of OID with respect to the Rated Note for each day during such taxable year or portion of such taxable year in which the holder held that Rated Note. The daily portion is determined by allocating to each day in any "accrual period" a *pro rata* portion of the OID allocable to that accrual period. The "accrual period" for a Rated Note may be of any length and may vary in length over the term of the Rated Note, *provided*, that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs on the first day or the final day of an accrual period. A U.S. Holder of a Rated Note issued with OID as described above generally will be required to include such OID in income prior to the receipt of cash in respect of that income. A U.S. Holder of Class A Notes or Class B Notes issued with less than *de minimis* OID will generally include such amount as capital gain as principal payments are received on such Notes.

Because the OID rules are complex, each U.S. Holder of a Rated Note should consult with its own tax advisor regarding the acquisition, ownership, and disposition of such Note.

3.6. Source of Interest

Interest on the Rated Notes accrued or received by a U.S. Holder (or OID accrued) generally will be treated as foreign source income for foreign tax credit limitation purposes. The limitation on foreign taxes eligible for the U.S. foreign tax credit is calculated separately with respect to specific "categories" of income. For this purpose, the interest on the Rated Notes (or OID accrued) should generally constitute "passive category income," or in the case of certain U.S. Holders, "general category income."

3.7. Sale, Exchange, Redemption or Repayment of the Rated Notes

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 (other than amounts attributable to accrued but unpaid qualified stated interest which will be taxable as such) and the U.S. Holder's adjusted tax basis in such Note.

A U.S. Holder's adjusted tax basis in a Rated Note generally will be the cost of such Note to the U.S. Holder, increased by the amount of any OID accrued and reduced by any payments other than payments of qualified stated interest on such Rated Note.

Gain or loss recognised on the sale, exchange, redemption, repayment or other disposition of 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, generally, the maximum marginal U.S. federal income tax rate applicable to such gain will be lower than the maximum marginal U.S. federal income tax rate generally applicable to ordinary income if such U.S. Holder's holding period for such Rated Note exceeds one year. 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 U.S. source gain or loss.

3.8. Payments of Interest and OID in Euros

A U.S. Holder with a U.S. Dollar functional currency that uses the cash method of accounting for U.S. federal income tax purposes and receives a payment of interest on a Note (other than OID) denominated in Euros will be required to include in gross income the U.S. Dollar value of the payment in Euros on the date such payment is received (based on the U.S. Dollar spot rate for the Euro on the date such payment is received) regardless of whether the payment is in fact converted to U.S. Dollars at that time. No exchange gain or loss will be recognised with respect to the receipt of such payment.

A U.S. Holder that uses the accrual method of accounting for U.S. federal income tax purposes, or that otherwise is required to accrue interest prior to receipt, will be required to include in gross income the U.S. Dollar value of the amount of interest income that has accrued and is otherwise required to be taken into account with respect to a Note during an accrual period. The U.S. Dollar value of the accrued interest income will be determined by translating the interest income at the average U.S. Dollar exchange rate for Euro in effect during the accrual period or, with respect to an accrual period that spans two taxable years, the partial period within the taxable year. A U.S. Holder may elect, however, to translate such accrued interest income using the U.S. Dollar spot rate for the Euro on the last day of the accrual period or, with respect to an accrual period that spans two taxable years, on the last day of the taxable year. If the last day of an accrual period is within five Business Days of the date of receipt of the accrued interest, a U.S. Holder may translate such interest using the U.S. Dollar spot rate on the date of receipt. The above election must be applied consistently to all debt instruments from year to year and may not be changed without the consent of the IRS. Prior to making such an election, a U.S. Holder should consult its own tax advisor.

A U.S. Holder that uses the accrual method of accounting for U.S. federal income tax purposes may recognise exchange gain or loss with respect to accrued interest income on the date the payment of such income is received. The amount of any exchange gain or loss recognised will equal the difference, if any, between the U.S. Dollar value of the payment in Euro received (based on the U.S. Dollar spot rate for the Euro on the date such payment is received) with respect to such accrued

interest and the U.S. Dollar value of the income inclusion with respect to such accrued interest (computed as determined above). Any such exchange gain or loss will be treated as ordinary income or loss, but generally will not be treated as an adjustment to interest income, and will generally be treated as U.S. source income or loss.

The Issuer intends to take the position that OID for any accrual period on a Note will be determined in Euros and then translated into U.S. Dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. As described above, however, the treatment of Notes issued with OID is subject to uncertainty, and it is possible that different rules would apply. Applying this method, all payments on a Note (other than payments of qualified stated interest) will generally be viewed first as payments of previously accrued OID (to the extent thereof), with payments attributed first to the earliest accrued OID, and then as payments of principal. Upon receipt of a payment attributable to OID (whether in connection with a payment of interest or on the sale, exchange, redemption, retirement or other taxable disposition of a Note), a U.S. Holder may recognise exchange gain or loss as described above with respect to accrued interest income. Any such exchange gain or loss will be treated as ordinary income or loss, but generally will not be treated as an adjustment to interest income, and will generally be treated as U.S. source income or loss.

3.9. Receipt of Euros

Euros received as payment on a Note or on a sale, exchange, redemption, retirement or other taxable disposition of a Note will have a tax basis equal to its U.S. Dollar value at the time the payment is received or at the time of a sale, exchange, redemption, retirement or other taxable disposition, as the case may be. Euros that are purchased will generally have a tax basis equal to the U.S. Dollar value of Euros on the date of purchase. Any exchange gain or loss recognised on a sale, exchange, redemption, retirement or other taxable disposition of the Euro (including its use to purchase Notes or upon exchange for U.S. Dollars) will be ordinary income or loss and will generally be treated as U.S. source income or loss.

3.10. Foreign Currency Gain or Loss on Purchase or Disposition

A U.S. Holder that purchases the Notes using Euros generally will recognise exchange gain or loss in an amount equal to the difference (if any) between the U.S. Dollar fair market value of Euros used to purchase the Notes determined at the spot rate of exchange in effect on the date of purchase of the Notes and such U.S. Holder's tax basis in the Euros. If a U.S. Holder receives Euros on a sale, exchange, redemption, retirement or other taxable disposition of a Note, the amount realised will be based on the U.S. Dollar value of the Euros on the date the payment is received or the date of disposition of the Note. Any gain or loss realised upon the sale, exchange, redemption, retirement or other taxable disposition of the Note that is attributable to fluctuations in currency exchange rates will be exchange gain or loss. Any gain or any loss attributable to fluctuations in exchange rates will equal the difference between the U.S. Dollar value of the principal amount of the Note when payment is received or a Note is disposed of (determined by the U.S. Dollar spot rate for the Euro on that date) and the U.S. Dollar value of the principal amount of the Note on the date the Note was acquired (determined by the U.S. Dollar spot rate for the Euro on the date of acquisition). Such exchange gain or loss will generally be recognised only to the extent of the total gain or loss realised by the U.S. Holder on the sale, exchange, redemption, retirement or other taxable disposition of such Note. Any exchange gain or loss will be treated as ordinary income or loss, but generally will not be treated as an adjustment to interest income, and will generally be treated as U.S. source income or loss.

As a result of the uncertainty regarding the U.S. federal income tax consequences to U.S. Holders with respect to the Notes and the complexity of the foregoing rules, each U.S. Holder of a Note is urged to consult its own tax advisor regarding the U.S. federal income tax consequences to the holder of the purchase, ownership and disposition of the Note.

3.11. Investment in a Passive Foreign Investment Company

A non-U.S. corporation will be classified as a "passive foreign investment company" or "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 subsidiary corporation in which the corporation is considered to own 25 per cent. or more of the shares by value) in a taxable year is passive income. Alternatively, a non-U.S. corporation will be classified as a PFIC if at least 50 per cent. of its assets, averaged over the year and generally determined based on fair market value (including the pro rata share of the assets of any subsidiary corporation in which the corporation 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 stock in a PFIC (subject to the discussion below under *"—Investment in a Controlled Foreign Corporation*").

Unless a U.S. Holder of Subordinated Notes or Equity Notes elects to treat the Issuer as a "qualified electing fund" (as described in the next paragraph) (and assuming the PFIC rules are otherwise applicable), upon certain excess distributions (generally, such a U.S. Holder's rateable portion of distributions with respect to its Subordinated Notes and Equity Notes in any year which are greater than 125 per cent. of the average annual distribution received by such U.S. Holder with respect to its Subordinated Notes and Equity Notes in the shorter of the three preceding years or the U.S. Holder's holding period) by the Issuer and upon a disposition of the Subordinated Notes or Equity Notes, as applicable, 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, as if such distributions and gain had been recognised rateably over the U.S. Holder's holding period for the Subordinated Notes or Equity Notes, as applicable,. An interest charge is also applied to the deferred tax amount resulting from the deemed rateable distribution or gain recognition. Finally, a U.S. Holder who acquires Subordinated Notes or Equity Notes from a decedent U.S. Holder generally would not receive a step up of the income tax basis to fair market value for such Subordinated Notes or Equity Notes but would have a tax basis equal to the decedent's basis, if lower.

Assuming the discussion below under *"—Investment in a Controlled Foreign Corporation*" does not apply, if a U.S. Holder of the Subordinated Notes or Equity Notes elects to treat the Issuer as a "qualified electing fund" or "QEF," excess distributions and gain will not be taxed as if recognised rateably over the U.S. Holder's holding period and there will be no interest charge applicable to deferred tax, nor will the denial of a basis step up at death described above apply. 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 QEF as ordinary income (which will not be eligible for the corporate dividends received deduction) and a pro rata share of the net capital gain of the QEF as capital gain, regardless of whether such earnings or gain have in fact been distributed. In this regard, prospective U.S. Holders of Subordinated Notes or Equity Notes should be aware that it is possible that a significant amount of the Issuer's income, as determined for U.S. federal income tax purposes, will not be distributed on a current basis for a number of potential reasons, including the retirement of all or a portion of certain Classes of Notes. Thus, U.S. Holders of Subordinated Notes or Equity Notes that make a QEF election may owe tax on a significant amount of "phantom" income. In order to comply with the requirements of a QEF election, a U.S. Holder must receive from the Issuer certain information ("**QEF Information**"). The Issuer intends to supply U.S. Holders with the information needed for such U.S. Holders to comply with the requirements of the QEF election.

In order to avoid the application of the PFIC rules, each U.S. Holder of a Class E Note or Class F Note should consider whether to make a qualified electing fund election provided in Section 1295 of the Code on a "protective" basis (although such protective election may not be respected by the IRS because current U.S. Treasury regulations do not specifically authorise a protective election). Upon

the request of any U.S. Holder of Class E or Class F Notes (and at such holder's expense), the Issuer will provide, to the extent reasonably able to do so, information to file such protective election.

In certain cases in which a QEF does not distribute all of its earnings in a taxable year, the electing U.S. Holder may also be permitted to elect to defer payments of some or all of the taxes on the QEF's income, subject to a non-deductible interest charge on the deferred amount.

As a result of the nature of the investments that the Issuer intends to hold, the Issuer may hold investments treated as equity of non-U.S. corporations that are PFICs. In such a case, assuming that the Issuer is a PFIC, a U.S. Holder would be treated as owning its pro rata share of the stock of the PFIC owned by the Issuer. Such a U.S. Holder would be subject to the rules generally applicable to shareholders of PFICs discussed above with respect to distributions received by the Issuer from such a PFIC and dispositions by the Issuer of the stock 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 stock, certain U.S. Holders may make the QEF election discussed above with respect to the stock of the PFIC owned by the Issuer. It is unclear, however, whether the Issuer will be able to obtain and pass on to U.S. Holders QEF Information with respect to any PFICs owned by the Issuer. If the Issuer is a PFIC, each U.S. Holder of a Subordinated Note must make an annual return on IRS Form 8621, reporting distributions received and gains realised with respect to each PFIC in which the U.S. Holder holds a direct or indirect interest. Prospective purchasers should consult their tax advisors regarding the potential application of the PFIC rules and any such annual filing requirements.

3.12. 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" or "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, indirectly or constructively, by "U.S. 10% Shareholders". A "**U.S. 10% Shareholder**" for this purpose, is any U.S. person that owns or is deemed to own 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% 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% Shareholders, the Issuer is a CFC.

If the Issuer were treated as a CFC, a U.S. 10% 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. 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% Shareholder of the Issuer, such U.S. Holder generally would be taxable on its *pro rata* share of the subpart F income and investments in U.S. property of the Issuer under the rules described in the preceding paragraph and not under the PFIC rules previously described. A U.S. Holder that is a U.S. 10% 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.

3.13. 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 and which have not been previously taxed pursuant to the CFC rules or QEF rules will be taxed as dividends when received. Distributions in excess of previously taxed amounts and any remaining current and/or accumulated earnings and profits of the Issuer will be treated first as a non-taxable reduction to the U.S. Holder's tax basis in the Subordinated Notes to the extent thereof and then as capital gain. Dividends will not be eligible for the dividends received deduction allowable to corporations.

Dividends on the Subordinated Notes received by a U.S. Holder generally will be treated as foreign source income for foreign tax credit limitation purposes. For this purpose, dividends on the Subordinated Notes should generally constitute "passive category income," or in the case of certain U.S. Holders, "general category income."

3.14. Eligibility for Reduced Rate of Taxation on Dividends

It is not expected that dividends 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 to non-corporate U.S. Holders of shares of U.S. corporations and certain non-U.S. corporations.

3.15. Disposition of the Subordinated Notes

In general, a U.S. Holder of a Subordinated Note will recognise U.S. source 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 U.S. 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.

Unless a QEF election is in effect for the U.S. Holder's entire holding period, 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. If a QEF election is in effect, any gain or loss recognised generally will be capital gain or loss and will be long-term capital gain or loss if the Subordinated Note has been held for more than one year. Non-corporate U.S. Holders may be entitled to reduced tax rates in respect of long-term capital gains. The deductibility of capital losses is subject to limitations.

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% Shareholder therein, then any gain realised by such holder upon the disposition of Subordinated Notes would be treated as ordinary income to the extent that the Issuer has accumulated earnings and profits attributable to the Subordinated Notes while it was a CFC and the holder held the Subordinated Notes. In this respect, earnings and profits would not include any amounts previously taxed pursuant to the CFC rules.

3.16. Reportable Transaction Reporting

Under certain U.S. Treasury regulations, U.S. Holders that participate in "reportable transactions" (as defined in the regulations) must attach to their U.S. federal income tax returns a disclosure statement on Form 8886. U.S. Holders should consult their own tax advisors as to the possible obligation to file Form 8886 with respect to the ownership or disposition of the Notes, or any related transaction.

3.17. Reporting Requirements

A U.S. Holder (including a U.S. tax-exempt entity) that transfers property (including cash) to the Issuer in exchange for Subordinated Notes may be required to file an IRS Form 926 or similar form with the IRS. In the event a U.S. Holder fails to file any required form, it could be subject to a penalty equal to 10 per cent. of the fair market value of the Subordinated Notes purchased by such U.S. Holder (generally up to a maximum of U.S.$100,000). A U.S. Holder that is treated as owning (actually or constructively) at least 10 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes may be required to file an information return on IRS Form 5471, and provide additional information regarding the Issuer annually on IRS Form 5471 if it is treated as owning (actually or constructively) more than 50 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes.

3.18. Tax Treatment of Non-U.S. Holders of Notes

Subject to the discussion below under *"—Information Reporting and Backup Withholding Tax,"* 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 U.S. 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 183 days or more in the taxable year of sale and certain other conditions are satisfied.

3.19. Information Reporting and Backup Withholding Tax

The amount of interest (including OID) 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. payor or U.S. middleman to a U.S. person. The backup withholding tax rate is currently 28 per cent.. 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 therefor; (b) furnishes an incorrect taxpayer identification number; (c) is notified by the IRS that it has failed to properly report interest 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 may be required to comply with certification procedures to establish that they are not subject to information reporting and backup withholding tax. In the case of payments to a foreign simple trust, a foreign grantor trust or a foreign partnership (other than payments to a foreign simple trust, a foreign grantor trust or a foreign partnership that qualifies as a "withholding foreign trust" or a "withholding foreign partnership" within the meaning of the applicable U.S. Treasury regulations and payments to a foreign simple trust, a foreign grantor trust or a foreign partnership that are effectively connected with the conduct of a trade or business in the United States), the beneficiaries of the foreign simple trust, the persons treated as the owners of the foreign grantor trust or the partners of the foreign partnership, as the case may be, will be required to provide the certification discussed above in order to establish an exemption from backup withholding tax and information reporting requirements. Moreover, a payor may rely on a certification provided by a payee that is not a U.S. person only if such payor does not have actual knowledge or reason to know that any information or certification stated in such certificate is incorrect.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

3.20. FATCA Withholding

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on U.S. source payments it receives with respect to Collateral Obligations of, and Eligible Investments in, U.S. obligors (including gross proceeds from the sale or other disposition of such Collateral Obligation or Eligible Investment after 31 December 2018) unless the Issuer complies with legislation in the Netherlands implementing the Dutch IGA. The Dutch IGA requires, among other things, that the Issuer collect and provide to the Dutch government (which will provide such information to the IRS) substantial information regarding direct and indirect holders of the Notes unless the Issuer qualifies as a "Non-Reporting Financial Institution" (as defined in the Dutch IGA) or is otherwise entitled to an exemption under FATCA. The required information will include the name, address, TIN and certain other information with respect to holders and certain direct and indirect owners of the holders.

The Issuer intends to comply with its obligations under the Dutch IGA and FATCA more generally. The Issuer anticipates that U.S. withholding will not be imposed on payments made to the Issuer, or on payments made by the Issuer, unless the IRS has specifically listed the Issuer as a non-participating financial institution, the Issuer has otherwise assumed responsibility for withholding under U.S. tax law, or the Issuer in unable to comply with FATCA or the Dutch IGA. In some cases, the Issuer's ability to comply with FATCA could depend on factors outside of the Issuer's control. For example, if an affiliate of the Issuer that is an FFI that 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 (by vote and in some cases value)). 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 any person 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.

Although the Issuer will not prohibit any person from holding more than 50 per cent. of the Issuer's equity, it may force the sale of all or a portion of the equity held by such a person if such Noteholder is an FFI affiliate of the Issuer that is preventing the Issuer from complying with FATCA. For these purposes, the Issuer may sell a Noteholder's or 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. Moreover, if a Noteholder fails to provide the Issuer with the Noteholder FATCA Information, the Issuer is authorised to withhold amounts otherwise distributable to the holder, and (2) 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.

No assurance can be given that the Issuer will be able to take all necessary actions or that actions taken will be successful to minimise the impact of FATCA. The Issuer's ability to avoid adverse consequences under FATCA may not be within the control of the Issuer and, for example, may depend on the actions of the Noteholder (and each foreign withholding agent (if any) in the chain of custody). The rules under FATCA or the Dutch IGA may also change in the future. Future guidance may subject payments on Notes to a withholding tax of 30 per cent. if each FFI that holds any such Note, or any intermediary through which any such Note is held, has not entered into an information reporting agreement with the IRS under FATCA or complied with the terms of a relevant intergovernmental agreement or if the owner of such Note fails to provide the Noteholder FATCA Information.

If the Issuer were to move from the Netherlands to another jurisdiction, the Issuer would be required to enter into an agreement with the IRS or comply with the terms of that jurisdiction's intergovernmental agreement with the United States relating to FATCA in order to avoid the imposition of FATCA withholding. FATCA may also apply to intermediaries and Noteholders may

be subject to withholding or forced transfers if they do not comply with similar information requests made by an intermediary (or if an intermediary otherwise fails to comply with FATCA).

FATCA and comparable provisions of the Dutch IGA and Dutch FATCA legislation are complex and their application to the Issuer is not entirely certain as the rules and regulations continue to be issued and revised. Each Noteholder should consult its own tax advisor to obtain a more detailed explanation of FATCA and to learn how it might affect such Noteholder in its particular circumstance.

3.21. Potential Treatment of Rated Notes as Stock Under Temporary and Final Debt-Equity Regulations

The U.S. Treasury and IRS have recently issued temporary and final regulations under Section 385 of the Code that would, in certain circumstances, treat as stock for U.S. federal income tax purposes a Note that otherwise would be treated as debt for such purposes. The temporary and final regulations have "reserved" on their application to a non-U.S. corporation and, therefore, currently do not apply to instruments issued by a non-U.S. corporation such as the Issuer. No assurance can be given, however, that these regulations will not be amended to apply to the Notes on a prospective or retroactive basis. These temporary and final regulations are complex. Noteholders should consult with their own tax advisors regarding the possible effect of these regulations on them.

3.22. Additional Reporting Requirements and Additional Tax on Investment Income

In addition, certain U.S. Holders are required to report information relating to an interest in the Notes, subject to certain exceptions (including an exception for Notes held in accounts maintained by certain financial institutions), by filing IRS Form 8938 with their annual U.S. federal income tax return. U.S. Holders are urged to consult their tax advisors regarding their information reporting obligations with respect to their ownership of Notes.

Additionally, certain U.S. Holders who are individuals, estates or trusts are required to pay a 3.8 per cent. tax on, among other things, dividends, interest income and capital gains from the sale or other disposition of Notes.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR NOTEHOLDER. EACH PROSPECTIVE NOTEHOLDER IS STRONGLY URGED TO CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE NOTEHOLDER'S OWN CIRCUMSTANCES.

CERTAIN ERISA CONSIDERATIONS

ERISA imposes certain requirements on "employee benefit plans" subject thereto 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, and that investments be made in accordance with the documents governing the plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan, as well as assets of those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts and Keogh plans, and entities the underlying assets of which include the assets of such plans (together with ERISA Plans, "**Plans**") and certain persons (referred to as "**parties in interest**" under ERISA or "**disqualified persons**" under the Code (collectively, "**Parties in Interest**")) having certain relationships to such Plans, unless a statutory or administrative exception or exemption is applicable to the transaction. A Party in Interest who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and the transaction may have to be rescinded at significant cost to the Issuer.

Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and certain non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not subject to the fiduciary responsibility or prohibited transaction provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to substantially similar rules under federal, state, local or non-U.S. 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, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulation**")), if a Plan invests in an "**equity interest**" of an entity that is neither a "**publicly offered security**" nor a security issued by an investment company registered under the Investment Company Act of 1940, the Plan's assets are deemed to include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established (a) that the entity is an "**operating company**," as that term is defined in the Plan Asset Regulation, or (b) that less than 25 per cent. of the total value of each class of equity interest in the entity, disregarding the value of any equity interests held by persons (other than Benefit Plan Investors) with discretionary authority or control over the assets of the entity or who provide investment advice for a fee with respect to such assets (such as the Collateral 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 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 Issuer, 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, Class B Notes, Class C Notes and the 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, Class B Notes, 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 and to a greater extent, the Class F Notes and the Subordinated Notes for purposes of the Plan Asset Regulation are less certain. The Class E Notes, the 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 the Class E Notes, the Class F Notes and the Subordinated Notes. In reliance on representations made by investors in the Class E Notes, the Class F Notes and the Subordinated Notes, the Issuer intends to limit investment by Benefit Plan Investors in each of the Class E Notes, the Class F Notes and the Subordinated Notes to less than 25 per cent. of the Class E Notes, the Class F Notes and the Subordinated Notes (determined separately by each class of equity interest) at all times (excluding for purposes of such calculation the Class E Notes, the Class F Notes and the Subordinated Notes held by a Controlling Person). Each prospective purchaser (including a transferee) of a Class E Note, a Class F Note or a Subordinated Note will be required 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 Notes, Class F Notes or Subordinated Notes 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 Subordinated Notes (determined separately by each class of equity interest and in accordance with 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 assuming the Class A Notes, Class B Notes, Class C Notes and Class D Notes are not 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 Sole Arranger, the Initial Purchaser, the Collateral Manager, or their respective Affiliates (collectively, the "**Transaction Parties**") 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 Transaction Parties 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 deemed to have represented, warranted and agreed that (i) either (A) it is not, and is not acting on behalf of (and for so long as it holds 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 substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code ("**Similar 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 and 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 Similar 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.

If you are a purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Regulation S Global Note or Certificate or a Rule 144A Global Note or Certificate you will be deemed to represent, warrant and agree that (i) you are not, and are not acting on behalf of, a Benefit Plan Investor or Controlling Person unless you receive the written consent of the Issuer, provide an ERISA certificate to the Issuer as to your status as a Benefit Plan Investor or Controlling Person and (unless the written consent of the Issuer to the contrary is obtained) hold such Note or Certificate in the form of a Definitive Certificate, (ii) (A) if you are, or are acting on behalf of, a Benefit Plan Investor, your 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 you are a governmental, church, non-U.S. or other plan, (1) you are not, and for so long as you hold 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 Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to Similar Law ("**Other Plan Law**") and (2) your acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Similar Law, and (iii) you will agree to certain transfer restrictions regarding your interest in such Notes.

If you are a purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of Definitive Certificates, you will be required to (i) represent and warrant in writing to the Issuer (A) whether or not, for so long as you hold such Notes or interest herein, you are, or are acting on behalf of, a Benefit Plan Investor, (B) whether or not, for so long as you hold such Notes or interest therein, you are a Controlling Person and (C) that (1) if you are, or are acting on behalf of, a Benefit Plan Investor, your 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 you are a governmental, church, non-U.S. plan or other plan, (x) you are not, and for so long as you hold such Notes or interest therein will not be, subject to Other Plan Law and (y) your acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Similar Law, (ii) agree to certain transfer restrictions regarding your interest in such Notes, and (iii) provide an ERISA certificate to the Issuer as to your status as a Benefit Plan Investor or Controlling Person.

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 described above to be exceeded with respect to the Class E Notes, Class F Notes or Subordinated Notes.

In addition, each beneficial owner of the Notes that is a Benefit Plan Investor, including any fiduciary purchasing the Notes on behalf of a Benefit Plan Investor (a "**Plan Fiduciary**") will represent or be deemed to have represented by its acquisition of the Class A Notes, Class B Notes, the Class C Notes, the Class D Notes, and with respect to the Class E Notes, Class F Notes and Subordinated Notes in the form of a Definitive Certificate or in the form of a Global Note with the consent of the Issuer that: (i) none of the Transaction Parties, has provided or will provide advice with respect to the acquisition of such Notes by the Benefit Plan Investor, other than to the Plan Fiduciary which is independent of the Transaction Parties, and the Plan Fiduciary either: (A) is a bank as defined in Section 202 of the Investment Advisers Act of 1940 (the "**Advisers Act**"), or similar institution that is regulated and supervised and subject to periodic examination by a State or Federal agency; (B) is an insurance carrier which is qualified under the laws of more than one state to perform the services of managing, acquiring or disposing of assets of a benefit plan investor; (C) is an investment adviser registered under the Advisers Act, or, if not registered as an investment adviser under the Advisers Act by reason of paragraph (1) of Section 203A of the Advisers Act, is registered as an investment adviser under the laws of the state in which it maintains its principal office and place of business; (D) is a broker-dealer registered under the Securities Exchange Act of 1934, as amended; or (E) has, and at all times

that the Benefit Plan Investor is invested in such Notes will have, total assets of at least U.S. $50,000,000 under its management or control (provided that this clause (E) shall not be satisfied if the Plan Fiduciary is either (1) the owner or a relative of the owner of an investing individual retirement account or (2) a participant or beneficiary of the Benefit Plan Investor investing in such Notes in such capacity); (ii) the Plan Fiduciary is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies, including the acquisition by the Benefit Plan Investor of such Notes; (iii) the Plan Fiduciary is a "fiduciary" with respect to the Benefit Plan Investor within the meaning of Section 3(21) of ERISA, Section 4975 of the Code, or both, and is responsible for exercising independent judgement in evaluating the Benefit Plan Investor's acquisition of such Notes; (iv) none of the Transaction Parties has exercised any authority to cause the Benefit Plan Investor to invest in such Notes or to negotiate the terms of the Benefit Plan Investor's investment in such Notes; and (v) the Plan Fiduciary has been informed by the Transaction Parties: (A) that none of the Transaction Parties is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity, and that no such entity has given investment advice or otherwise made a recommendation, in connection with the Benefit Plan Investor's acquisition of such Notes; and (B) of the existence and nature of the Transaction Parties financial interests in the Benefit Plan Investor's acquisition of such Notes. The above representations in this paragraph are intended to comply with the Department of Labor's Regulation. Sections 29 C.F.R. 2510.3-21(a) and (c)(1) as promulgated on April 8, 2016 (81 Fed. Reg. 20,997). If these regulations are revoked, repealed or no longer effective, these representations shall be deemed to be no longer in effect.

None of the Transaction Parties is undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the acquisition of any Notes by any Benefit Plan Investor.

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 Similar 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

The following section consists of a summary of certain provisions of the Subscription Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreements.

BNP Paribas, London Branch (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 Notes (the "**Subscribed Notes**") pursuant to the Subscription Agreement, at the following issue prices:

(i) Class A Notes, 100 per cent.;

(ii) Class B Notes, 100 per cent.;

(iii) Class C Notes, 100 per cent.;

(iv) Class D Notes, 100 per cent.;

(v) Class E Notes, 94.05 per cent.;

(vi) Class F Notes, 91.08 per cent.; and

(vii) Subordinated Notes, 100.00 per cent.,

in each case less subscription and underwriting fees to be agreed between the Issuer and the Initial Purchaser. The Subscription Agreement entitles the Initial Purchaser to terminate the agreement in certain circumstances prior to payment being made to the Issuer.

The Initial Purchaser may offer the Notes at other prices as may be negotiated at the time of sale.

The Collateral Manager has agreed with the Initial Purchaser, subject to the satisfaction of certain conditions, to acquire the Retention Notes from the Initial Purchaser on the Issue Date at their respective issue prices.

It is a condition of the issue of the Notes of each Class that the Notes of each other Class be issued in the following principal amounts: Class A Notes: €215,000,000; Class B Notes: €38,500,000; Class C Notes: €20,500,000; Class D Notes: €17,500,000; Class E Notes: €22,850,000; Class F Notes: €9,450,000; and Subordinated Notes: €37,600,000.

The Issuer has agreed to indemnify the Initial Purchaser, the Collateral 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 Obligations may have been originally underwritten or placed by the Initial Purchaser. In addition, the Initial Purchaser may have in the past performed and may in the future perform investment banking services or other services for issuers of the Collateral 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 Obligations, with a result that one or more of such issuers may be or may become controlled by the Initial Purchaser or its Affiliates.

No action has been or will be taken by the Issuer, the Initial Purchaser or the Collateral Manager 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 other than the application and the approval of this Prospectus with and by the Irish Stock Exchange and the Central Bank. 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 Subscribed 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 QIBs/QPs. The BNPP 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 and Authorised Integral Amounts 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.

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 Main Securities 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.

Selling Restrictions

(a) ***United States*.**

(i) The Initial Purchaser understands that the Notes have not been and will not be registered under the Securities Act and 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) except with respect to the Rule 144A Notes only, to a person that is a QIB/QP in reliance on Rule 144A, or pursuant to any other exemption from the registration requirements of the Securities Act.

(ii) The Initial Purchaser represents, warrants and agrees that:

(1) it is a QIB/QP and that it has not offered or sold, and will not offer or sell, any Notes constituting part of its allotment within the United States or to, or for the account or benefit of, U.S. Persons except to persons (including any other distributor and any dealers) that are or that it reasonably believes are QIB/QPs, in reliance on Rule 144A;

(2) it has sold the Regulation S Notes, and will offer and sell the Regulation S Notes, (x) as part of their distribution at any time and (y) otherwise until 40 days after the later of the commencement of the offering and the Issue Date (the "**distribution compliance period"**), only in accordance with Rule 903 of Regulation S, and it agrees that, at or prior to confirmation of any sale of Regulation S Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the Securities Act), and may not be offered and sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, except in either case in

accordance with Regulation S (or Rule 144A if available) under the Securities Act. Terms used above have the meaning given to them by Regulation S."

(3) neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts (within the meaning of Regulation S) with respect to the Regulation S Notes, and it and they have complied and will comply with the offering restrictions requirement of Regulation S; and

(4) neither it, its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any form of general solicitation or general advertising (as those terms are used in Rule 502(c) under the Securities Act) in connection with any offer or sale of the Notes in the United States.

(b) ***United Kingdom*.** The Initial Purchaser has represented and agreed that:

(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 ("**FSMA**") received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

(c) ***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 EU member state by any measure implementing the Prospectus Directive in that EU 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.

(d) ***Australia*:** Neither this Prospectus nor any other prospectus or disclosure document (as defined in the Corporations Act 2001 (the "**Australian 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 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.

(e) ***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 Sole Arranger and 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.

(f) ***Belgium:*** The offering of Notes has not been and will not be notified to the Belgian Financial Services and Markets Authority (*autoriteit voor financiële diensten en markten/autorité des services et marchés financiers*) nor has this 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 I.1 of the Code of Economic Law, as modified, otherwise than in conformity with such code and its implementing regulations.

(g) ***Cayman Islands:*** The Initial Purchaser has represented and agreed that it will not make any invitation to the public in the Cayman Islands to subscribe for the Notes.

(h) ***Cyprus:*** This document does not constitute an offer or solicitation to the public in Cyprus or to anyone in Cyprus other than a firm offering investment services, an insurance company or an undertaking for collective investment in transferable securities. This document does not constitute an offer or solicitation to any person to whom it is unlawful to make such an offer or solicitation.

(i) ***Denmark*.** The Initial Purchaser has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any of the Notes to the public in Denmark unless in accordance with the Danish Securities Trading Act, Consolidation Act No. 855 of 25 August 2012 as amended from time to time and any orders issued thereunder.

For the purposes of this provision, an offer of the Notes in Denmark means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

(j) ***France*.** Neither this Prospectus nor any other offering material relating to the Notes has been submitted to the clearance procedures of the Autorité des Marchés Financiers ("**AMF**") or to the competent authority of another member state of the European Economic Area and subsequently notified to the AMF.

The Initial Purchaser has represented and agreed that:

(i) the Notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

(ii) neither this 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.

(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*), all other than individuals, in each case investing for their own account, all as defined in, and in accordance with, Articles L.411-2, D.411-1, D.411-4, L.533-16 and L.533-20 of the French Code Monétaire et Financier ("**CMF**");

(B) to investment services providers authorised to engage in portfolio management on behalf of third parties; or

(C) in a transaction that, in accordance with Article L.411-2 of the CMF and Article 211-2 of the *Règlement Général* of the AMF, does not constitute a public offer.

(k) ***Germany*.** The Notes will not be registered for public distribution in Germany. This Prospectus does not constitute a sales document pursuant to the German Capital Investment Act (*Vermögensanlagengesetz*). Accordingly, the Sole Arranger and 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.

(l) ***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 product' as defined in the Notes 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 as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

(m) ***Ireland***: The Initial Purchaser has represented and agreed that, it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the Notes, or do anything in Ireland in respect of the Notes, otherwise than in conformity with the provisions of:

(i) the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any Central Bank of Ireland ("**Central Bank**") rules issued and / or in force pursuant to Section 1363 of the Companies Act;

(ii) the Companies Act;

(iii) the European Communities (Markets in Financial Instruments) Regulations 2007 (as amended) and it will conduct itself in accordance with any rules or codes of conduct and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank;

(iv) Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the European Union (Market Abuse) Regulations 2016 and any Central Bank rules issued and / or in force pursuant to Section 1370 of the Companies Act; and

(v) the Central Bank Acts 1942 to 2015 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989.

(n) ***Italy*****.** The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this 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 pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and Article 34-*ter*, first paragraph, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("**Regulation No. 11971**"); or

(ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-*ter* of Regulation No. 11971.

Any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must be:

(A) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**"); and

(B) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and

(C) in compliance with any other applicable laws and regulations or requirements imposed by CONSOB or another Italian authority.

(o) ***Japan.*** The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the FIEA) and 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 resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

(p) ***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.

(q) ***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 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 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 Prospectus Directive, or any variation thereof or amendment thereto.

(r) ***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).

(s) ***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.

(t) ***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.

(u) ***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 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 Notes in the Portuguese market; (ii) it has not distributed or caused to be distributed to the public in the Republic of Portugal this Prospectus or any other offering material relating to the Notes; (iii) all applicable provisions of the CVM, any applicable *Comissão do Mercado de Valores Mobiliários* (Portuguese Securities Market Commission, the "**CMVM**") Regulations and all applicable provisions of the Prospectus Directive have been complied with regarding the Notes, in any matters involving the Republic of Portugal.

(v) ***Singapore.*** This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore ("**MAS**") nor have any arrangements described in the Prospectus, which constitute a collective investment scheme for the purposes of the Securities and Futures Act, Chapter 289 of Singapore ("**SFA**"), been approved or registered with the AMS as an authorised or recognised CIS under the SFA (whether as a restricted scheme or otherwise). Accordingly, the Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes be circulated or distributed, whether directly or indirectly, to

any person in Singapore other than (a) to an institutional investor pursuant to Sections 274 and 304 of the SFA, (b) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

(w) ***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.

(x) ***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.

(y) ***Sweden.*** The Initial Purchaser has confirmed and agreed that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy Notes or distribute any draft or final document in relation to any such offer, invitation or sale except in circumstances that will result in a requirement to prepare a prospectus pursuant to the provisions of the Swedish Financial Instruments Trading Act (*lag (1991:980) om handel med finansiella instrument*).

The Initial Purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in Sweden (the "**Sweden Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in Sweden except that it may, with effect from and including the Sweden Relevant Implementation Date, make an offer of such Notes to the public in Sweden:

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

(ii) at any time to fewer than 100 or, if Sweden 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), subject to obtaining the prior consent of the Initial Purchaser; or

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

provided that no such offer of Notes referred to in (i) to (iii) above shall require the Issuer, the Sole Arranger 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.

For the purposes of this provision, the expression an offer of Notes to the public in relation to any Notes in Sweden 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 the Notes, as the same may be varied in Sweden by any measure implementing the Prospectus Directive in Sweden, the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in Sweden), and includes any relevant implementing measure in Sweden and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

(z) ***United Arab Emirates.*** The Initial Purchaser 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

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Notes.

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 Rule 144A Notes represented by Definitive Certificates will be required to represent and agree, as follows:

(1) The purchaser (a) is a QIB/QP, (b) is aware that the sale of such 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 herein and under the "**Notice to Investors**" to any subsequent transferees.

(2) The purchaser understands that such Rule 144A Notes have not been and will not be registered under the Securities Act, and may be reoffered, resold or pledged or otherwise transferred only (a)(i) to a person whom the purchaser reasonably believes is a (x) 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 and (y) a QP or an entity owned exclusively by QPs 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) 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.

(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 Sole Arranger, the Initial Purchaser, the Trustee, the Collateral Manager or the Collateral Administrator is acting as a fiduciary or financial advisor 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 Sole Arranger, the Initial Purchaser, the Trustee, the Collateral Manager or the Collateral Administrator, other than any representations set forth in this Prospectus

and any representations expressly set forth in a written agreement with such party; (c) none of the Issuer, the Sole Arranger, the Initial Purchaser, the Trustee, the Collateral 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 judgement and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer, the Sole Arranger, the Initial Purchaser, the Trustee, the Collateral 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 U.S.$25,000,000 in securities of unaffiliated issues. Further, the purchaser agrees with respect to itself and each such account: (x) that it shall not hold such Rule 144A Notes for the benefit of any other person and shall be the sole 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 Note (i) either (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to any Similar 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 and 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 Similar Law, (ii) each Benefit Plan Investor who purchases an interest in such Notes, or any beneficial interest therein, including any Plan Fiduciary, will be deemed to represent that (1) none of the Transaction Parties has provided or will provide advice with respect to the acquisition of the Notes by the Benefit Plan Investor, other than to the Plan Fiduciary which is independent of the Transaction Parties, and the Plan Fiduciary either: (A) is a bank as defined in Section 202 of the Advisers Act or similar institution that is regulated and supervised and

subject to periodic examination by a State or Federal agency; (B) is an insurance carrier which is qualified under the laws of more than one state to perform the services of managing, acquiring or disposing of assets of a benefit plan investor; (C) is an investment adviser registered under the Advisers Act, or, if not registered as an investment adviser under the Advisers Act by reason of paragraph (1) of Section 203A of the Advisers Act, is registered as an investment adviser under the laws of the state in which it maintains its principal office and place of business; (D) is a broker-dealer registered under the Securities Exchange Act of 1934, as amended; or (E) has, and at all times that the Benefit Plan Investor is invested in the Notes will have, total assets of at least U.S. $50,000,000 under its management or control (provided that this clause (E) shall not be satisfied if the Plan Fiduciary is either (x) the owner or a relative of the owner of an investing individual retirement account or (y) a participant or beneficiary of the Benefit Plan Investor investing in the Notes in such capacity); (2) the Plan Fiduciary is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies, including the acquisition by the Benefit Plan Investor of the Notes; (3) the Plan Fiduciary is a "fiduciary" with respect to the Benefit Plan Investor within the meaning of Section 3(21) of ERISA, Section 4975 of the Code, or both, and is responsible for exercising independent judgement in evaluating the Benefit Plan Investor's acquisition of the Notes; (4) none of the Transaction Parties has exercised any authority to cause the Benefit Plan Investor to invest in the Notes or to negotiate the terms of the Benefit Plan Investor's investment in the Notes; and (5) the Plan Fiduciary has been informed by the Transaction Parties: (A) that none of the Transaction Parties is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity, and that no such entity has given investment advice or otherwise made a recommendation, in connection with the Benefit Plan Investor's acquisition of the Notes; and (B) of the existence and nature of the Transaction Parties financial interests in the Benefit Plan Investor's acquisition of such Notes, and (iii) it will not sell or transfer such Notes (or interests therein) to an acquiror acquiring such Notes (or interests therein) unless the acquiror makes the foregoing representations, warranties and agreements described in clauses (i) and (ii) hereof. Any purported transfer of the Notes in violation of the requirements set forth in this paragraph (a) shall be null and void *ab initio* and the acquiror understands that the Issuer will have the right to cause the sale of such Notes to another acquiror that complies with the requirements of this paragraph (a) in accordance with the terms of the Trust Deed.

(b) (i) With respect to the Class E Notes, Class F Notes and Subordinated Notes in the form of a Rule 144A Global Certificate: (i) it is not, and is not acting on behalf of, a Benefit Plan Investor or Controlling Person unless it 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 (unless the written consent of the Issuer to the contrary is obtained) holds such Note or Certificate in the form of a Definitive Certificate, (ii) (A) if it is, or is acting on behalf of, a Benefit Plan Investor, including any Plan Fiduciary, (x) 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 that (y) (I) none of Transaction Parties, has provided or will provide advice with respect to the acquisition of the Notes by the Benefit Plan Investor, other than to the Plan Fiduciary which is independent of the Transaction Parties, and the Plan Fiduciary either: (A) is a bank as defined in Section 202 of the Advisers Act, or similar institution that is regulated and supervised and subject to periodic examination by a State or Federal agency; (B) is an insurance carrier which is qualified under the laws of more than one state to perform the services of managing, acquiring or disposing of assets of a benefit plan investor; (C) is an investment adviser registered under the Advisers Act, or, if not registered as an investment adviser under the Advisers Act by reason of paragraph (1) of Section 203A of the Advisers Act, is registered as an investment adviser under the laws of the state in which it maintains its principal office and place of business; (D) is a broker-dealer registered under the Securities Exchange Act of 1934, as amended; or (E) has,

and at all times that the Benefit Plan Investor is invested in the Notes will have, total assets of at least U.S. $50,000,000 under its management or control (provided that this clause (E) shall not be satisfied if the Plan Fiduciary is either (X) the owner or a relative of the owner of an investing individual retirement account or (Y) a participant or beneficiary of the Benefit Plan Investor investing in the Notes in such capacity); (II) the Plan Fiduciary is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies, including the acquisition by the Benefit Plan Investor of the Notes; (III) the Plan Fiduciary is a "fiduciary" with respect to the Benefit Plan Investor within the meaning of Section 3(21) of ERISA, Section 4975 of the Code, or both, and is responsible for exercising independent judgement in evaluating the Benefit Plan Investor's acquisition of the Notes; (IV) none of the Transaction Parties has exercised any authority to cause the Benefit Plan Investor to invest in the Notes or to negotiate the terms of the Benefit Plan Investor's investment in the Notes; and (V) the Plan Fiduciary has been informed by the Transaction Parties: (A) that none of the Transaction Parties is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity, and that no such entity has given investment advice or otherwise made a recommendation, in connection with the Benefit Plan Investor's acquisition of the Notes; and (B) of the existence and nature of the Transaction Parties financial interests in the Benefit Plan Investor's acquisition of such Notes, and (C) if it is a governmental, church, non-U.S. or other plan, (1) it is not, and for so long as it holds such Notes or interest therein will not be, subject to Other Plan Law and (2) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Similar Law and (iii) that it will agree to certain transfer restrictions regarding its interest in such Notes.

(ii) With respect to acquiring or holding a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate (i) (A) whether or not, for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest herein, it is, or is acting on behalf of, a Benefit Plan Investor, (B) whether or not, for so long as it holds such Class E Note, Class F Note or Subordinated Note 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, including any Plan Fiduciary, (x) its acquisition, holding and disposition of such Class E Note, Class F Note or Subordinated Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and that (y) (I) none of Transaction Parties has provided or will provide advice with respect to the acquisition of the Notes by the Benefit Plan Investor, other than to the Plan Fiduciary which is independent of the Transaction Parties, and the Plan Fiduciary either: (A) is a bank as defined in Section 202 of the Advisers Act, or similar institution that is regulated and supervised and subject to periodic examination by a State or Federal agency; (B) is an insurance carrier which is qualified under the laws of more than one state to perform the services of managing, acquiring or disposing of assets of a benefit plan investor; (C) is an investment adviser registered under the Advisers Act, or, if not registered as an investment adviser under the Advisers Act by reason of paragraph (1) of Section 203A of the Advisers Act, is registered as an investment adviser under the laws of the state in which it maintains its principal office and place of business; (D) is a broker-dealer registered under the Securities Exchange Act of 1934, as amended; or (E) has, and at all times that the Benefit Plan Investor is invested in the Notes will have, total assets of at least U.S. $50,000,000 under its management or control (provided that this clause (E) shall not be satisfied if the Plan Fiduciary is either (X) the owner or a relative of the owner of an investing individual retirement account or (Y) a participant or beneficiary of the Benefit Plan Investor investing in the Notes in such capacity); (II) the Plan Fiduciary is capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies, including the acquisition

by the Benefit Plan Investor of the Notes; (III) the Plan Fiduciary is a "fiduciary" with respect to the Benefit Plan Investor within the meaning of Section 3(21) of ERISA, Section 4975 of the Code, or both, and is responsible for exercising independent judgement in evaluating the Benefit Plan Investor's acquisition of the Notes; (IV) none of the Transaction Parties has exercised any authority to cause the Benefit Plan Investor to invest in the Notes or to negotiate the terms of the Benefit Plan Investor's investment in the Notes; and (V) the Plan Fiduciary has been informed by the Transaction Parties: (A) that none of the Transaction Parties is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity, and that no such entity has given investment advice or otherwise made a recommendation, in connection with the Benefit Plan Investor's acquisition of the Notes; and (B) of the existence and nature of the Transaction Parties financial interests in the Benefit Plan Investor's acquisition of such Notes 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 Class E Note, Class F Note or Subordinated Note or interest therein will not be, subject to Other Plan Law and (y) its acquisition, holding and disposition of such Class E Note, Class F Note or Subordinated Note will not constitute or result in a non-exempt violation of any Similar Law, (ii) that it will agree to certain transfer restrictions regarding its interest in such Class E Note, Class F Note or Subordinated Note, and (iii) that it will provide an ERISA certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person. Any purported transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph (ii) shall be null and void *ab initio* and the acquiror understands that the Issuer will have the right to cause the sale of such Class E Notes, Class F Notes or Subordinated Notes to another acquiror that complies with the requirements of this paragraph (ii) in accordance with the terms of the Trust Deed.

(c) The purchaser acknowledges that the Issuer, the Sole Arranger, the Initial Purchaser, the Trustee, the Collateral 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 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.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), THE SECURITIES LAWS OR ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. THE ISSUER HAS NOT BEEN, AND WILL NOT BE, 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, 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 30 APRIL 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHALL 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 COLLATERAL ADMINISTRATOR.

[*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 DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN 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 SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR 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 AND 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 SIMILAR LAW, (II) EACH BENEFICIAL OWNER OF THIS NOTE THAT IS A BENEFIT PLAN INVESTOR, INCLUDING ANY FIDUCIARY PURCHASING THIS NOTE ON BEHALF OF A BENEFIT PLAN INVESTOR (A "**PLAN FIDUCIARY**") WILL BE DEEMED TO HAVE REPRESENTED BY ITS ACQUISITION OF THIS NOTE THAT: (I) NONE OF THE ISSUER, THE ARRANGER, THE INITIAL PURCHASER, THE COLLATERAL MANAGER, OR THEIR RESPECTIVE AFFILIATES (COLLECTIVELY, THE "**TRANSACTION PARTIES**") HAS PROVIDED OR WILL PROVIDE ADVICE WITH RESPECT TO THE ACQUISITION OF SUCH NOTES BY THE BENEFIT PLAN INVESTOR, OTHER THAN TO THE PLAN FIDUCIARY WHICH IS INDEPENDENT OF THE TRANSACTION PARTIES, AND THE PLAN FIDUCIARY EITHER: (A) IS A BANK AS DEFINED IN SECTION 202 OF THE INVESTMENT ADVISERS ACT OF 1940 (THE "**ADVISERS ACT**"), OR SIMILAR INSTITUTION THAT IS REGULATED AND SUPERVISED AND SUBJECT TO PERIODIC EXAMINATION BY A STATE OR FEDERAL AGENCY; (B) IS AN INSURANCE CARRIER WHICH IS QUALIFIED UNDER THE LAWS OF MORE THAN ONE STATE TO PERFORM THE SERVICES OF MANAGING, ACQUIRING OR DISPOSING OF ASSETS OF A BENEFIT PLAN INVESTOR; (C) IS AN INVESTMENT ADVISER REGISTERED UNDER THE ADVISERS ACT, OR, IF NOT REGISTERED AS AN INVESTMENT ADVISER UNDER THE ADVISERS ACT BY REASON OF PARAGRAPH (1) OF SECTION 203A OF THE ADVISERS ACT, IS REGISTERED AS AN INVESTMENT ADVISER UNDER THE LAWS OF THE STATE IN WHICH IT MAINTAINS ITS PRINCIPAL OFFICE AND PLACE OF BUSINESS; (D) IS A BROKER-DEALER REGISTERED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED; OR (E) HAS, AND AT ALL TIMES THAT THE BENEFIT PLAN INVESTOR IS INVESTED IN THIS NOTE WILL HAVE, TOTAL ASSETS OF AT LEAST U.S. $50,000,000 UNDER ITS MANAGEMENT OR CONTROL (PROVIDED THAT THIS CLAUSE (E) SHALL NOT BE SATISFIED IF THE PLAN FIDUCIARY IS EITHER (1) THE OWNER OR A RELATIVE OF THE OWNER OF AN INVESTING INDIVIDUAL RETIREMENT ACCOUNT OR (2) A PARTICIPANT OR BENEFICIARY OF THE BENEFIT PLAN INVESTOR INVESTING IN THIS NOTE IN SUCH CAPACITY); (II) THE PLAN FIDUCIARY IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH RESPECT TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES, INCLUDING THE ACQUISITION BY THE BENEFIT PLAN INVESTOR OF THIS NOTE; (III) THE PLAN FIDUCIARY IS A "FIDUCIARY" WITH RESPECT TO THE BENEFIT PLAN INVESTOR WITHIN THE MEANING OF SECTION 3(21) OF ERISA, SECTION 4975 OF THE CODE, OR BOTH, AND IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGEMENT IN EVALUATING THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THIS NOTE; (IV) NONE OF THE TRANSACTION PARTIES HAS EXERCISED ANY AUTHORITY TO CAUSE THE BENEFIT PLAN INVESTOR TO INVEST IN THIS NOTE OR TO NEGOTIATE THE TERMS OF THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THIS NOTE; AND (V) THE PLAN FIDUCIARY HAS BEEN INFORMED BY THE TRANSACTION PARTIES: (A) THAT NONE OF THE TRANSACTION PARTIES IS UNDERTAKING TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR TO GIVE ADVICE IN A FIDUCIARY CAPACITY, AND THAT NO SUCH ENTITY HAS GIVEN INVESTMENT ADVICE OR OTHERWISE MADE A RECOMMENDATION, IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THIS NOTE; AND (B) OF THE EXISTENCE AND NATURE OF THE TRANSACTION PARTIES FINANCIAL INTERESTS IN THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THIS NOTE, AND (III) IT WILL NOT SELL OR TRANSFER SUCH NOTES (OR INTERESTS THEREIN) TO AN ACQUIROR ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) AND (II) HEREOF. ANY PURPORTED

TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND SUBORDINATED NOTES IN THE FORM OF RULE 144A GLOBAL CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL BE REQUIRED OR 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 (UNLESS THE WRITTEN CONSENT OF THE ISSUER TO THE CONTRARY IS OBTAINED) HOLDS SUCH NOTE IN THE FORM OF A DEFINITIVE CERTIFICATE AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (X) 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 (Y) (I) NONE OF THE ISSUER, THE ARRANGER, THE INITIAL PURCHASER, THE COLLATERAL MANAGER, OR THEIR RESPECTIVE AFFILIATES (COLLECTIVELY, THE "**TRANSACTION PARTIES**") HAS PROVIDED OR WILL PROVIDE ADVICE WITH RESPECT TO THE ACQUISITION OF THE NOTES BY THE BENEFIT PLAN INVESTOR, OTHER THAN TO THE PLAN FIDUCIARY WHICH IS INDEPENDENT OF THE TRANSACTION PARTIES, AND THE PLAN FIDUCIARY EITHER: (A) IS A BANK AS DEFINED IN SECTION 202 OF THE ADVISERS ACT OF 1940 (THE "**ADVISERS ACT**"), OR SIMILAR INSTITUTION THAT IS REGULATED AND SUPERVISED AND SUBJECT TO PERIODIC EXAMINATION BY A STATE OR FEDERAL AGENCY; (B) IS AN INSURANCE CARRIER WHICH IS QUALIFIED UNDER THE LAWS OF MORE THAN ONE STATE TO PERFORM THE SERVICES OF MANAGING, ACQUIRING OR DISPOSING OF ASSETS OF A BENEFIT PLAN INVESTOR; (C) IS AN INVESTMENT ADVISER REGISTERED UNDER THE ADVISERS ACT, OR, IF NOT REGISTERED AS AN INVESTMENT ADVISER UNDER THE ADVISERS ACT BY REASON OF PARAGRAPH (1) OF SECTION 203A OF THE ADVISERS ACT, IS REGISTERED AS AN INVESTMENT ADVISER UNDER THE LAWS OF THE STATE IN WHICH IT MAINTAINS ITS PRINCIPAL OFFICE AND PLACE OF BUSINESS; (D) IS A BROKER-DEALER REGISTERED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED; OR (E) HAS, AND AT ALL TIMES THAT THE BENEFIT PLAN INVESTOR IS INVESTED IN THE NOTES WILL HAVE, TOTAL ASSETS OF AT LEAST U.S. $50,000,000 UNDER ITS MANAGEMENT OR CONTROL (PROVIDED THAT THIS CLAUSE (E) SHALL NOT BE SATISFIED IF THE PLAN FIDUCIARY IS EITHER (X) THE OWNER OR A RELATIVE OF THE OWNER OF AN INVESTING INDIVIDUAL RETIREMENT ACCOUNT OR (Y) A PARTICIPANT OR BENEFICIARY OF THE BENEFIT PLAN INVESTOR INVESTING IN THE NOTES IN SUCH CAPACITY); (II) THE PLAN FIDUCIARY IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH RESPECT TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES, INCLUDING THE ACQUISITION BY THE BENEFIT PLAN INVESTOR OF THE NOTES; (III) THE PLAN FIDUCIARY IS A "FIDUCIARY" WITH RESPECT TO THE BENEFIT PLAN INVESTOR WITHIN THE MEANING OF SECTION 3(21) OF ERISA, SECTION 4975 OF THE CODE, OR BOTH, AND IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGEMENT IN EVALUATING THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THE NOTES; (IV) NONE OF THE TRANSACTION PARTIES HAS EXERCISED ANY AUTHORITY TO CAUSE THE BENEFIT PLAN INVESTOR TO INVEST IN THE NOTES OR TO NEGOTIATE THE TERMS OF THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTES; AND (V) THE

PLAN FIDUCIARY HAS BEEN INFORMED BY THE TRANSACTION PARTIES: (A) THAT NONE OF THE TRANSACTION PARTIES IS UNDERTAKING TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR TO GIVE ADVICE IN A FIDUCIARY CAPACITY, AND THAT NO SUCH ENTITY HAS GIVEN INVESTMENT ADVICE OR OTHERWISE MADE A RECOMMENDATION, IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF SUCH NOTES; AND (B) OF THE EXISTENCE AND NATURE OF THE TRANSACTION PARTIES FINANCIAL INTERESTS IN THE BENEFIT PLAN INVESTOR'S ACQUISITION OF SUCH NOTES AND (C) 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 CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO ANY FEDERAL, STATE, LOCAL 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**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY FEDERAL, STATE, LOCAL 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 ("S**IMILAR 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 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 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 ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE ISSUER 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 SUBORDINATED NOTES (DETERMINED SEPARATELY BY EACH CLASS OF EQUITY INTEREST) 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 CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW, OTHER PLAN LAW OR OTHER ERISA 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 CLASS E NOTE, CLASS F NOTE OR SUBORDINATED 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 OR SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER (A) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (B) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON AND (C) THAT (1) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (X) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED 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 (Y) (I) NONE OF THE ISSUER, THE ARRANGER, THE INITIAL PURCHASER, THE COLLATERAL MANAGER, OR THEIR RESPECTIVE AFFILIATES (COLLECTIVELY, THE "**TRANSACTION PARTIES**") HAS PROVIDED OR WILL PROVIDE ADVICE WITH RESPECT TO THE ACQUISITION OF THE NOTES BY THE BENEFIT PLAN INVESTOR, OTHER THAN TO THE PLAN FIDUCIARY WHICH IS INDEPENDENT OF THE TRANSACTION PARTIES, AND THE PLAN FIDUCIARY EITHER: (A) IS A BANK AS DEFINED IN SECTION 202 OF THE ADVISERS ACT OF 1940 (THE "**ADVISERS ACT**"), OR SIMILAR INSTITUTION THAT IS REGULATED AND SUPERVISED AND SUBJECT TO PERIODIC EXAMINATION BY A STATE OR FEDERAL AGENCY; (B) IS AN INSURANCE CARRIER WHICH IS QUALIFIED UNDER THE LAWS OF MORE THAN ONE STATE TO PERFORM THE SERVICES OF MANAGING, ACQUIRING OR DISPOSING OF ASSETS OF A BENEFIT PLAN INVESTOR; (C) IS AN INVESTMENT ADVISER REGISTERED UNDER THE ADVISERS ACT, OR, IF NOT REGISTERED AS AN INVESTMENT ADVISER UNDER THE ADVISERS ACT BY REASON OF PARAGRAPH (1) OF SECTION 203A OF THE ADVISERS ACT, IS REGISTERED AS AN INVESTMENT ADVISER UNDER THE LAWS OF THE STATE IN WHICH IT MAINTAINS ITS PRINCIPAL OFFICE AND PLACE OF BUSINESS; (D) IS A BROKER-DEALER REGISTERED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED; OR (E) HAS, AND AT ALL TIMES THAT THE BENEFIT PLAN INVESTOR IS INVESTED IN THE NOTES WILL HAVE, TOTAL ASSETS OF AT LEAST U.S. $50,000,000 UNDER ITS MANAGEMENT OR CONTROL (PROVIDED THAT THIS CLAUSE (E) SHALL NOT BE SATISFIED IF THE PLAN FIDUCIARY IS EITHER (X) THE OWNER OR A RELATIVE OF THE OWNER OF AN INVESTING INDIVIDUAL RETIREMENT ACCOUNT OR (Y) A PARTICIPANT OR BENEFICIARY OF THE BENEFIT PLAN INVESTOR INVESTING IN THE NOTES IN SUCH CAPACITY); (II) THE PLAN FIDUCIARY IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH RESPECT TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES, INCLUDING THE ACQUISITION BY THE BENEFIT PLAN INVESTOR OF THE NOTES; (III) THE PLAN FIDUCIARY IS A "FIDUCIARY" WITH RESPECT TO THE BENEFIT PLAN INVESTOR WITHIN THE MEANING OF SECTION 3(21) OF ERISA, SECTION 4975 OF THE CODE, OR BOTH, AND IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGEMENT IN EVALUATING THE

BENEFIT PLAN INVESTOR'S ACQUISITION OF THE NOTES; (IV) NONE OF THE TRANSACTION PARTIES HAS EXERCISED ANY AUTHORITY TO CAUSE THE BENEFIT PLAN INVESTOR TO INVEST IN THE NOTES OR TO NEGOTIATE THE TERMS OF THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTES; AND (V) THE PLAN FIDUCIARY HAS BEEN INFORMED BY THE TRANSACTION PARTIES: (A) THAT NONE OF THE TRANSACTION PARTIES IS UNDERTAKING TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR TO GIVE ADVICE IN A FIDUCIARY CAPACITY, AND THAT NO SUCH ENTITY HAS GIVEN INVESTMENT ADVICE OR OTHERWISE MADE A RECOMMENDATION, IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF SUCH NOTES; AND (B) OF THE EXISTENCE AND NATURE OF THE TRANSACTION PARTIES FINANCIAL INTERESTS IN THE BENEFIT PLAN INVESTOR'S ACQUISITION OF SUCH NOTES AND (2) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (a) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED 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 CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO ANY FEDERAL, STATE, LOCAL 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**"), AND (b) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY FEDERAL, STATE, LOCAL 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 ("**SIMILAR 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 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 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 ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE ISSUER 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 SUBORDINATED NOTES (DETERMINED SEPARATELY BY EACH CLASS OF EQUITY INTEREST) 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 CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW, OTHER PLAN LAW OR OTHER ERISA 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 CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

THE FAILURE TO PROVIDE THE ISSUER AND THE PRINCIPAL PAYING AGENT WITH THE PROPERLY COMPLETED AND SIGNED TAX CERTIFICATIONS (GENERALLY, IN THE CASE OF U.S. FEDERAL INCOME TAX, AN INTERNAL REVENUE SERVICE FORM W-9 (OR APPLICABLE SUCCESSOR 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 THE APPROPRIATE U.S. INTERNAL REVENUE SERVICE FORM W-8 (OR APPLICABLE SUCCESSOR 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.

THE ISSUER MAY REQUIRE CERTIFICATION ACCEPTABLE TO IT (I) TO PERMIT THE ISSUER TO MAKE PAYMENTS TO IT WITHOUT, OR AT A REDUCED RATE OF, WITHHOLDING, (II) TO ENABLE THE ISSUER TO QUALIFY FOR A REDUCED RATE OF WITHHOLDING IN ANY JURISDICTION FROM OR THROUGH WHICH THE ISSUER RECEIVES PAYMENTS ON ITS ASSETS AND (III) TO PERMIT THE ISSUER OR THE TRUSTEE TO COMPLY WITH ANY REPORTING REQUIREMENTS UNDER APPLICABLE LAW. EACH HOLDER AND BENEFICIAL OWNER OF A NOTE AGREES TO PROVIDE ANY SUCH CERTIFICATION THAT IS REQUESTED BY THE ISSUER.

EACH HOLDER OF A NOTE (OR ANY INTEREST THEREIN) INCLUDING ANY TRANSFEREE WILL PROVIDE THE ISSUER, THE TRUSTEE OR THEIR RESPECTIVE AGENTS WITH THE NOTEHOLDER FATCA INFORMATION AND WILL TAKE ANY OTHER ACTIONS NECESSARY FOR THE ISSUER TO COMPLY WITH FATCA AND, IN THE EVENT THE HOLDER FAILS TO PROVIDE SUCH INFORMATION OR TAKE SUCH ACTIONS, (A) THE ISSUER IS AUTHORISED TO WITHHOLD AMOUNTS OTHERWISE DISTRIBUTABLE TO THE HOLDER AS COMPENSATION FOR ANY AMOUNT WITHHELD FROM PAYMENTS TO THE ISSUER OR THE UNDERLYING ISSUER AS A RESULT OF SUCH FAILURE, AND (B) TO THE EXTENT NECESSARY TO AVOID AN ADVERSE EFFECT ON THE ISSUER, OR ANY OTHER HOLDER OF NOTES AS A RESULT OF SUCH FAILURE, THE ISSUER WILL HAVE THE RIGHT TO COMPEL THE HOLDER TO SELL ITS NOTES OR, IF SUCH HOLDER DOES NOT SELL ITS NOTES AFTER NOTICE FROM THE ISSUER, TO SELL SUCH NOTES AT A PUBLIC OR PRIVATE SALE CALLED AND CONDUCTED IN ANY MANNER PERMITTED BY LAW, AND TO REMIT THE NET PROCEEDS OF SUCH SALE (TAKING INTO ACCOUNT ANY TAXES INCURRED BY THE ISSUER IN CONNECTION WITH SUCH SALE) TO THE HOLDER AS PAYMENT IN FULL FOR SUCH NOTES. THE

ISSUER MAY ALSO ASSIGN EACH SUCH NOTE A SEPARATE CUSIP OR CUSIPS IN THE ISSUER'S SOLE DISCRETION.

EACH HOLDER OF A NOTE (OR ANY INTEREST THEREIN) WILL BE DEEMED TO HAVE REPRESENTED AND AGREED TO TREAT THE ISSUER AND THE NOTES AS DESCRIBED IN THE "TAX CONSIDERATIONS — UNITED STATES FEDERAL INCOME TAXATION" SECTION OF THE PROSPECTUS FOR ALL U.S. FEDERAL, STATE AND LOCAL INCOME TAX PURPOSES AND TO TAKE NO ACTION INCONSISTENT WITH SUCH TREATMENT UNLESS REQUIRED BY LAW.

EACH HOLDER OF A NOTE (OR ANY INTEREST THEREIN) WILL INDEMNIFY THE ISSUER, THE TRUSTEE AND THEIR RESPECTIVE AGENTS AND EACH OF THE HOLDERS OF NOTES FROM ANY AND ALL DAMAGES, COSTS AND EXPENSES (INCLUDING ANY AMOUNTS OF TAXES, FEES, INTEREST, ADDITIONS TO TAX, OR PENALTIES) RESULTING FROM THE FAILURE BY SUCH HOLDER TO COMPLY WITH ITS OBLIGATIONS ABOVE. THIS INDEMNIFICATION WILL CONTINUE WITH RESPECT TO ANY PERIOD DURING WHICH THE HOLDER HELD A NOTE (OR AN INTEREST THEREIN), NOTWITHSTANDING THE HOLDER CEASING TO BE A HOLDER OF THE NOTE.

[*LEGEND TO BE INCLUDED IN RELATION TO [THE CLASS C NOTES, THE CLASS D NOTES, THE CLASS E NOTES AND THE CLASS F NOTES] ONLY*] [THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**") FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY OF THIS NOTE MAY BE OBTAINED BY CONTACTING THE ISSUER AT LUNA ARENA, HERIKERBERGWEG 238, 1101 CM AMSTERDAM, THE NETHERLANDS.]

(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 of a Note (or any interest therein) including any transferee will provide the Issuer or its agents with the Noteholder FATCA Information and will take any other actions necessary for the Issuer to comply with FATCA and, in the event the holder fails to provide such information or take such actions, (A) the Issuer is authorised to withhold amounts otherwise distributable to the holder as compensation for any amount withheld from payments to the Issuer or the underlying issuer as a result of such failure, and (B) to the extent necessary to avoid an adverse effect on the Issuer, or any other holder of Notes as a result of such failure, the Issuer will have the right to compel the holder to sell its Notes or, if such holder does not sell its Notes after notice from the Issuer, to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any taxes incurred by the Issuer in connection with such sale) to the holder as payment in full for such Notes. The Issuer may also assign each such Note a separate CUSIP or CUSIPs in the Issuer's sole discretion.

(11) Each holder of a Note (or any interest therein) will be deemed to have represented and agreed to treat the Issuer and the Notes as described in the "*Tax Considerations — United States Federal Income Taxation*" section of the Prospectus for all U.S. federal, state and local income tax purposes and to take no action inconsistent with such treatment unless required by law.

(12) Each holder of a Note (or any interest therein) will indemnify the Issuer and its respective agents and each of the holders of Notes from any and all damages, costs and expenses (including any amounts of taxes, fees, interest, additions to tax, or penalties) resulting from the failure by such holder to comply with paragraphs (10) and (11) above. This indemnification will continue with respect to any period

during which the holder held a Note (or an interest therein), notwithstanding the holder ceasing to be a holder of the Note.

(13) Each holder of a Note (or any interest therein) will provide the Issuer with certification acceptable to the Issuer (i) to permit the Issuer to make payments to it without, or at a reduced rate of, withholding, (ii) to enable the Issuer to qualify for a reduced rate of withholding in any jurisdiction from or through which the Issuer receives payments on its assets and (iii) to permit the Issuer or the Trustee to comply with any reporting requirements under applicable law.

(14) The purchaser understands and acknowledges that the Issuer has the right under the Trust Deed to compel any Non-Permitted Noteholder or Non-Permitted ERISA Noteholder to sell its interest in the Notes or may sell such interest in its Notes on behalf of such Non-Permitted Noteholder or Non-Permitted ERISA Noteholder.

Regulation S Notes

Each purchaser of Regulation S Notes will be deemed to have made the representations set forth in clauses (4), (6) and (8) through (14) (inclusive) above (except that references to Rule 144A Notes shall be deemed to be references to Regulation S Notes) and to have further represented and agreed as follows:

(1) The purchaser is located outside the United States and is not a U.S. Person.

(2) The purchaser understands that the Notes have not been and will not be registered under the Securities Act and that the Issuer has not registered and will not register under the Investment Company Act. It agrees, for the benefit of the Issuer, the Sole Arranger, 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.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), THE SECURITIES LAWS OR ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. THE ISSUER HAS NOT BEEN AND WILL NOT BE 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, 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 30 APRIL 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN NOTES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), IN A PRINCIPAL AMOUNT NOT LESS THAN €250,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHOULD BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED REFERRED TO HEREIN.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE COLLATERAL ADMINISTRATOR.

[*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 DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN 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 SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR 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 AND 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 SIMILAR LAW, (II) EACH BENEFICIAL OWNER OF THIS NOTE THAT IS A BENEFIT PLAN INVESTOR, INCLUDING ANY FIDUCIARY PURCHASING THIS NOTE ON BEHALF OF A BENEFIT PLAN INVESTOR (A "**PLAN FIDUCIARY**") WILL BE DEEMED TO HAVE REPRESENTED BY ITS ACQUISITION OF THIS NOTE THAT: (I) NONE OF THE ISSUER, THE ARRANGER, THE INITIAL PURCHASER, THE COLLATERAL MANAGER, OR THEIR RESPECTIVE AFFILIATES (COLLECTIVELY, THE "**TRANSACTION PARTIES**") HAS PROVIDED OR WILL PROVIDE ADVICE WITH RESPECT TO THE ACQUISITION OF SUCH NOTES BY THE BENEFIT PLAN INVESTOR, OTHER THAN TO THE PLAN FIDUCIARY WHICH IS INDEPENDENT OF THE TRANSACTION PARTIES, AND THE PLAN FIDUCIARY EITHER: (A) IS A BANK AS DEFINED IN SECTION 202 OF THE INVESTMENT ADVISERS ACT OF 1940 (THE "**ADVISERS ACT**"), OR SIMILAR INSTITUTION THAT IS REGULATED AND SUPERVISED AND SUBJECT TO PERIODIC EXAMINATION BY A STATE OR FEDERAL AGENCY; (B) IS AN INSURANCE CARRIER WHICH IS QUALIFIED UNDER THE LAWS OF MORE THAN ONE STATE TO PERFORM THE SERVICES OF MANAGING, ACQUIRING OR DISPOSING OF ASSETS OF A BENEFIT PLAN INVESTOR; (C) IS AN INVESTMENT ADVISER REGISTERED UNDER THE ADVISERS ACT, OR, IF NOT REGISTERED AS AN INVESTMENT ADVISER UNDER THE ADVISERS ACT BY REASON OF PARAGRAPH (1) OF SECTION 203A OF THE ADVISERS ACT, IS REGISTERED AS AN INVESTMENT ADVISER UNDER THE LAWS OF THE STATE IN WHICH IT MAINTAINS ITS PRINCIPAL OFFICE AND PLACE OF BUSINESS; (D) IS A BROKER-DEALER REGISTERED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED; OR (E) HAS, AND AT ALL TIMES THAT THE BENEFIT PLAN INVESTOR IS INVESTED IN THIS NOTE WILL HAVE, TOTAL ASSETS OF AT LEAST U.S. $50,000,000 UNDER ITS MANAGEMENT OR CONTROL (PROVIDED THAT THIS CLAUSE (E) SHALL NOT BE SATISFIED IF THE PLAN FIDUCIARY IS EITHER (1) THE OWNER OR A RELATIVE OF THE OWNER OF AN INVESTING INDIVIDUAL RETIREMENT ACCOUNT OR (2) A PARTICIPANT OR BENEFICIARY OF THE BENEFIT PLAN INVESTOR INVESTING IN THIS NOTE IN SUCH CAPACITY); (II) THE PLAN FIDUCIARY IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH RESPECT TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES, INCLUDING THE ACQUISITION BY THE BENEFIT PLAN INVESTOR OF THIS NOTE; (III) THE PLAN FIDUCIARY IS A "FIDUCIARY" WITH RESPECT TO THE BENEFIT PLAN INVESTOR WITHIN THE MEANING OF SECTION 3(21) OF ERISA, SECTION 4975 OF THE CODE, OR BOTH, AND IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGEMENT IN EVALUATING THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THIS NOTE; (IV) NONE OF THE TRANSACTION PARTIES HAS EXERCISED ANY AUTHORITY TO CAUSE THE BENEFIT PLAN INVESTOR TO INVEST IN THIS NOTE OR TO NEGOTIATE THE TERMS OF THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THIS NOTE; AND (V) THE PLAN FIDUCIARY HAS BEEN INFORMED BY THE TRANSACTION PARTIES: (A) THAT NONE OF THE TRANSACTION PARTIES IS UNDERTAKING TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR TO GIVE ADVICE IN A FIDUCIARY CAPACITY, AND THAT NO SUCH ENTITY HAS GIVEN INVESTMENT ADVICE OR OTHERWISE MADE A RECOMMENDATION, IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THIS NOTE; AND (B) OF THE EXISTENCE AND NATURE OF THE TRANSACTION PARTIES FINANCIAL INTERESTS IN THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THIS NOTE AND (III) IT WILL NOT SELL OR TRANSFER SUCH NOTES (OR INTERESTS THEREIN) TO AN ACQUIROR ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) AND (II) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND SUBORDINATED NOTES IN THE FORM OF REGULATION S GLOBAL NOTES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL BE REQUIRED OR 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 (UNLESS THE WRITTEN CONSENT OF THE ISSUER TO THE CONTRARY IS OBTAINED) HOLDS SUCH NOTE IN THE FORM OF A DEFINITIVE CERTIFICATE AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (X) 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 (Y) (I) NONE OF THE ISSUER, THE ARRANGER, THE INITIAL PURCHASER, THE COLLATERAL MANAGER, OR THEIR RESPECTIVE AFFILIATES (COLLECTIVELY, THE "**TRANSACTION PARTIES**") HAS PROVIDED OR WILL PROVIDE ADVICE WITH RESPECT TO THE ACQUISITION OF THE NOTES BY THE BENEFIT PLAN INVESTOR, OTHER THAN TO THE PLAN FIDUCIARY WHICH IS INDEPENDENT OF THE TRANSACTION PARTIES, AND THE PLAN FIDUCIARY EITHER: (A) IS A BANK AS DEFINED IN SECTION 202 OF THE ADVISERS ACT OF 1940 (THE "**ADVISERS ACT**"), OR SIMILAR INSTITUTION THAT IS REGULATED AND SUPERVISED AND SUBJECT TO PERIODIC EXAMINATION BY A STATE OR FEDERAL AGENCY; (B) IS AN INSURANCE CARRIER WHICH IS QUALIFIED UNDER THE LAWS OF MORE THAN ONE STATE TO PERFORM THE SERVICES OF MANAGING, ACQUIRING OR DISPOSING OF ASSETS OF A BENEFIT PLAN INVESTOR; (C) IS AN INVESTMENT ADVISER REGISTERED UNDER THE ADVISERS ACT, OR, IF NOT REGISTERED AS AN INVESTMENT ADVISER UNDER THE ADVISERS ACT BY REASON OF PARAGRAPH (1) OF SECTION 203A OF THE ADVISERS ACT, IS REGISTERED AS AN INVESTMENT ADVISER UNDER THE LAWS OF THE STATE IN WHICH IT MAINTAINS ITS PRINCIPAL OFFICE AND PLACE OF BUSINESS; (D) IS A BROKER-DEALER REGISTERED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED; OR (E) HAS, AND AT ALL TIMES THAT THE BENEFIT PLAN INVESTOR IS INVESTED IN THE NOTES WILL HAVE, TOTAL ASSETS OF AT LEAST U.S. $50,000,000 UNDER ITS MANAGEMENT OR CONTROL (PROVIDED THAT THIS CLAUSE (E) SHALL NOT BE SATISFIED IF THE PLAN FIDUCIARY IS EITHER (X) THE OWNER OR A RELATIVE OF THE OWNER OF AN INVESTING INDIVIDUAL RETIREMENT ACCOUNT OR (Y) A PARTICIPANT OR BENEFICIARY OF THE BENEFIT PLAN INVESTOR INVESTING IN THE NOTES IN SUCH CAPACITY); (II) THE PLAN FIDUCIARY IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH RESPECT TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES, INCLUDING THE ACQUISITION BY THE BENEFIT PLAN INVESTOR OF THE NOTES; (III) THE PLAN FIDUCIARY IS A "FIDUCIARY" WITH RESPECT TO THE BENEFIT PLAN INVESTOR WITHIN THE MEANING OF SECTION 3(21) OF ERISA, SECTION 4975 OF THE CODE, OR BOTH, AND IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGEMENT IN EVALUATING THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THE NOTES; (IV) NONE OF THE TRANSACTION PARTIES HAS EXERCISED ANY AUTHORITY TO CAUSE THE BENEFIT PLAN INVESTOR TO INVEST IN THE NOTES OR TO NEGOTIATE THE TERMS OF THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTES; AND (V) THE PLAN FIDUCIARY HAS BEEN INFORMED BY THE TRANSACTION PARTIES: (A) THAT NONE OF THE TRANSACTION PARTIES IS UNDERTAKING TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR TO GIVE ADVICE IN A FIDUCIARY CAPACITY, AND THAT NO SUCH ENTITY HAS GIVEN INVESTMENT ADVICE OR OTHERWISE MADE A RECOMMENDATION, IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF SUCH NOTES; AND (B) OF THE EXISTENCE AND NATURE OF THE

TRANSACTION PARTIES FINANCIAL INTERESTS IN THE BENEFIT PLAN INVESTOR'S ACQUISITION OF SUCH NOTES (C) 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 CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO ANY FEDERAL, STATE, LOCAL 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**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("S**IMILAR 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 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 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 ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE ISSUER 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 SUBORDINATED NOTES (DETERMINED SEPARATELY BY EACH CLASS OF EQUITY INTEREST) 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 CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW, OTHER PLAN LAW OR OTHER ERISA 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 CLASS E NOTE, CLASS F NOTE

OR SUBORDINATED 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 SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER (A) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (B) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON AND (C) THAT (1) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (X) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED 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 (Y) (I) NONE OF THE ISSUER, THE ARRANGER, THE INITIAL PURCHASER, THE COLLATERAL MANAGER, OR THEIR RESPECTIVE AFFILIATES (COLLECTIVELY, THE "**TRANSACTION PARTIES**") HAS PROVIDED OR WILL PROVIDE ADVICE WITH RESPECT TO THE ACQUISITION OF THE NOTES BY THE BENEFIT PLAN INVESTOR, OTHER THAN TO THE PLAN FIDUCIARY WHICH IS INDEPENDENT OF THE TRANSACTION PARTIES, AND THE PLAN FIDUCIARY EITHER: (A) IS A BANK AS DEFINED IN SECTION 202 OF THE ADVISERS ACT OF 1940 (THE "**ADVISERS ACT**"), OR SIMILAR INSTITUTION THAT IS REGULATED AND SUPERVISED AND SUBJECT TO PERIODIC EXAMINATION BY A STATE OR FEDERAL AGENCY; (B) IS AN INSURANCE CARRIER WHICH IS QUALIFIED UNDER THE LAWS OF MORE THAN ONE STATE TO PERFORM THE SERVICES OF MANAGING, ACQUIRING OR DISPOSING OF ASSETS OF A BENEFIT PLAN INVESTOR; (C) IS AN INVESTMENT ADVISER REGISTERED UNDER THE ADVISERS ACT, OR, IF NOT REGISTERED AS AN INVESTMENT ADVISER UNDER THE ADVISERS ACT BY REASON OF PARAGRAPH (1) OF SECTION 203A OF THE ADVISERS ACT, IS REGISTERED AS AN INVESTMENT ADVISER UNDER THE LAWS OF THE STATE IN WHICH IT MAINTAINS ITS PRINCIPAL OFFICE AND PLACE OF BUSINESS; (D) IS A BROKER-DEALER REGISTERED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED; OR (E) HAS, AND AT ALL TIMES THAT THE BENEFIT PLAN INVESTOR IS INVESTED IN THE NOTES WILL HAVE, TOTAL ASSETS OF AT LEAST U.S. $50,000,000 UNDER ITS MANAGEMENT OR CONTROL (PROVIDED THAT THIS CLAUSE (E) SHALL NOT BE SATISFIED IF THE PLAN FIDUCIARY IS EITHER (X) THE OWNER OR A RELATIVE OF THE OWNER OF AN INVESTING INDIVIDUAL RETIREMENT ACCOUNT OR (Y) A PARTICIPANT OR BENEFICIARY OF THE BENEFIT PLAN INVESTOR INVESTING IN THE NOTES IN SUCH CAPACITY); (II) THE PLAN FIDUCIARY IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH RESPECT TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES, INCLUDING THE ACQUISITION BY THE BENEFIT PLAN INVESTOR OF THE NOTES; (III) THE PLAN FIDUCIARY IS A "FIDUCIARY" WITH RESPECT TO THE BENEFIT PLAN INVESTOR WITHIN THE MEANING OF SECTION 3(21) OF ERISA, SECTION 4975 OF THE CODE, OR BOTH, AND IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGEMENT IN EVALUATING THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THE NOTES; (IV) NONE OF THE TRANSACTION PARTIES HAS EXERCISED ANY AUTHORITY TO CAUSE THE BENEFIT PLAN INVESTOR TO INVEST IN THE NOTES OR TO NEGOTIATE THE TERMS OF THE BENEFIT PLAN INVESTOR'S INVESTMENT IN THE NOTES; AND (V) THE PLAN FIDUCIARY HAS BEEN INFORMED BY THE TRANSACTION PARTIES: (A) THAT NONE OF THE TRANSACTION PARTIES IS UNDERTAKING TO PROVIDE IMPARTIAL INVESTMENT ADVICE OR TO GIVE ADVICE IN A FIDUCIARY CAPACITY, AND THAT NO SUCH ENTITY

HAS GIVEN INVESTMENT ADVICE OR OTHERWISE MADE A RECOMMENDATION, IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF SUCH NOTES; AND (B) OF THE EXISTENCE AND NATURE OF THE TRANSACTION PARTIES FINANCIAL INTERESTS IN THE BENEFIT PLAN INVESTOR'S ACQUISITION OF SUCH NOTES AND (2) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (a) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED 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 CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO ANY FEDERAL, STATE, LOCAL 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**"), AND (b) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("S**IMILAR LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF A CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE 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 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 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 ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE ISSUER 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 SUBORDINATED NOTES (DETERMINED SEPARATELY BY EACH CLASS OF EQUITY INTEREST) 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 CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW, OTHER PLAN LAW OR OTHER ERISA 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 CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

THE FAILURE TO PROVIDE THE ISSUER AND THE PRINCIPAL PAYING AGENT WITH THE PROPERLY COMPLETED AND SIGNED TAX CERTIFICATIONS (GENERALLY, IN THE CASE OF U.S. FEDERAL INCOME TAX, AN INTERNAL REVENUE SERVICE FORM W-9 (OR APPLICABLE SUCCESSOR 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 THE APPROPRIATE U.S. INTERNAL REVENUE SERVICE FORM W-8 (OR APPLICABLE SUCCESSOR 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.

THE ISSUER MAY REQUIRE CERTIFICATION ACCEPTABLE TO IT (I) TO PERMIT THE ISSUER TO MAKE PAYMENTS TO IT WITHOUT, OR AT A REDUCED RATE OF, WITHHOLDING, (II) TO ENABLE THE ISSUER TO QUALIFY FOR A REDUCED RATE OF WITHHOLDING IN ANY JURISDICTION FROM OR THROUGH WHICH THE ISSUER RECEIVES PAYMENTS ON ITS ASSETS AND (III) TO PERMIT THE ISSUER OR THE TRUSTEE TO COMPLY WITH ANY REPORTING REQUIREMENTS UNDER APPLICABLE LAW. EACH HOLDER AND BENEFICIAL OWNER OF A NOTE AGREES TO PROVIDE ANY SUCH CERTIFICATION THAT IS REQUESTED BY THE ISSUER.

EACH HOLDER OF A NOTE (OR ANY INTEREST THEREIN) INCLUDING ANY TRANSFEREE WILL PROVIDE THE ISSUER OR ITS AGENTS WITH THE NOTEHOLDER FATCA INFORMATION AND WILL TAKE ANY OTHER ACTIONS NECESSARY FOR THE ISSUER TO COMPLY WITH FATCA AND, IN THE EVENT THE HOLDER FAILS TO PROVIDE SUCH INFORMATION OR TAKE SUCH ACTIONS, (A) THE ISSUER IS AUTHORISED TO WITHHOLD AMOUNTS OTHERWISE DISTRIBUTABLE TO THE HOLDER AS COMPENSATION FOR ANY AMOUNT WITHHELD FROM PAYMENTS TO THE ISSUER OR THE UNDERLYING ISSUER AS A RESULT OF SUCH FAILURE, AND (B) TO THE EXTENT NECESSARY TO AVOID AN ADVERSE EFFECT ON THE ISSUER, OR ANY OTHER HOLDER OF NOTES AS A RESULT OF SUCH FAILURE, THE ISSUER WILL HAVE THE RIGHT TO COMPEL THE HOLDER TO SELL ITS NOTES OR, IF SUCH HOLDER DOES NOT SELL ITS NOTES AFTER NOTICE FROM THE ISSUER, TO SELL SUCH NOTES AT A PUBLIC OR PRIVATE SALE CALLED AND CONDUCTED IN ANY MANNER PERMITTED BY LAW, AND TO REMIT THE NET PROCEEDS OF SUCH SALE (TAKING INTO ACCOUNT ANY TAXES INCURRED BY THE ISSUER IN CONNECTION WITH SUCH SALE) TO THE HOLDER AS PAYMENT IN FULL FOR SUCH NOTES. THE ISSUER MAY ALSO ASSIGN EACH SUCH NOTE A SEPARATE CUSIP OR CUSIPS IN THE ISSUER'S SOLE DISCRETION.

EACH HOLDER OF A NOTE (OR ANY INTEREST THEREIN) WILL BE DEEMED TO HAVE REPRESENTED AND AGREED TO TREAT THE ISSUER AND THE NOTES AS DESCRIBED IN THE "TAX CONSIDERATIONS — UNITED STATES FEDERAL INCOME TAXATION " SECTION OF THE PROSPECTUS FOR ALL U.S. FEDERAL, STATE AND LOCAL INCOME TAX PURPOSES AND TO TAKE NO ACTION INCONSISTENT WITH SUCH TREATMENT UNLESS REQUIRED BY LAW.

EACH HOLDER OF A NOTE (OR ANY INTEREST THEREIN) WILL INDEMNIFY THE ISSUER, THE TRUSTEE AND THEIR RESPECTIVE AGENTS AND EACH OF THE HOLDERS OF NOTES FROM ANY AND ALL DAMAGES, COSTS AND EXPENSES (INCLUDING ANY AMOUNTS OF TAXES, FEES, INTEREST, ADDITIONS TO TAX, OR PENALTIES) RESULTING FROM THE FAILURE BY SUCH HOLDER TO COMPLY WITH ITS OBLIGATIONS ABOVE. THIS INDEMNIFICATION WILL CONTINUE WITH RESPECT TO ANY PERIOD DURING WHICH THE HOLDER HELD A NOTE (OR AN INTEREST THEREIN), NOTWITHSTANDING THE HOLDER CEASING TO BE A HOLDER OF THE NOTE.

[*LEGEND TO BE INCLUDED IN RELATION TO THE [CLASS C NOTES, THE CLASS D NOTES, THE CLASS E NOTES AND THE CLASS F NOTES] ONLY*] [THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**") FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY OF THIS NOTE MAY BE OBTAINED BY CONTACTING THE ISSUER AT LUNA ARENA, HERIKERBERGWEG 238, 1101 CM AMSTERDAM, THE NETHERLANDS.]

(4) That neither the Issuer, its Affiliates (as defined in Rule 405 under the Securities Act) nor any persons (other than the Collateral Manager, as to whom no representation or warranty is made) acting on its or their behalf have engaged or will engage in any "directed selling efforts" (as defined in Regulation S under the Securities Act) in respect of the Notes.

(5) The Issuer, its Affiliates and any person (other than the Sole Arranger and the Initial Purchaser, as to whom no representation or warranty is made) acting on its or their behalf have complied with and will comply with the offering restrictions requirement of Regulation S under the Securities Act.

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

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

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 Notes	XS1646366234	164636623	XS1646369337	164636933
Class B Notes	XS1646366663	164636666	XS1646369501	164636950
Class C Notes	XS1646367711	164636771	XS1646369923	164636992
Class D Notes	XS1646368016	164636801	XS1646370343	164637034
Class E Notes	XS1646368289	164636828	XS1646370772	164637077
Class F Notes	XS1646368362	164636836	XS1646371077	164637107
Subordinated Notes	XS1646368875	164636887	XS1646371408	164637140

Listing

This 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 and to trading on the Main Securities Market. The Main Securities Market is a regulated market for the purposes of the Markets in Financial Instruments Directive. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of the Markets in Financial Instruments Directive and/or which are to be offered to the public in any member state of the European Economic Area.

This Prospectus comprises a "prospectus" for the purposes of the Prospectus Directive. This "prospectus" prepared pursuant to the Prospectus Directive will be available from the website of the Central Bank.

Expenses in relation to Admission to Trading

The expenses in relation to the admission of the Notes to trading on the Main Securities Market will be approximately EUR 10,500.

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 7 September 2017.

No Significant or Material Change

There has been no significant change in the financial or trading position of the Issuer since its incorporation on 27 June 2016 and there has been no material adverse change in the financial position or prospects of the Issuer since its incorporation on 27 June 2016.

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

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 and the Trustee during normal business hours. 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.

Listing Agent

Arthur Cox Listings Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive.

Documents Available

Copies of the following documents may be inspected in electronic format (and, in the case of each of (g) and (h) below, will be available for collection free of charge and will be available to any person who informs the Collateral Administrator that it is a prospective investor in the Notes) at the registered offices of the Issuer and the Trustee 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 and Account Bank Agreement;

(d) the Collateral Management and Administration Agreement;

(e) the Retention Undertaking Letter;

(f) the Issuer Management Agreement;

(g) each Monthly Report; and

(h) each Payment Date Report.

Post Issuance Reporting

The Issuer will provide post-issuance transaction information in relation to the issue of Notes.

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.

As the United States and The Netherlands do not currently have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitral awards) in civil and commercial matters, a final judgment rendered by any federal court in the United States based on civil liability would not be enforceable in The Netherlands. However, if the party in whose favour such final judgment is rendered brings a new suit in a competent court in The Netherlands, such party may submit to a Dutch court the final judgment that has been rendered in the United States. Common law rules apply in order to determine whether a judgment of the United States courts shall be recognised and will then be enforceable in The Netherlands. A judgment of the United States courts will be recognised by the courts of The Netherlands if the following general requirements are met:

(a) the United States court rendering the judgment had jurisdiction over the subject matter of the litigation on internationally acceptable grounds and has conducted the proceedings in accordance with general principles of fair trial;

(b) the foreign judgment is final and definite; and

(c) such recognition is not in conflict with an existing Dutch judgment or with Dutch public policy (i.e. a fundamental principle of Dutch law).

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.

INDEX OF DEFINED TERMS

ANNEX A
FORM OF ERISA AND TAX CERTIFICATE

The purpose of this ERISA and Tax 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, the Class F Notes and the Subordinated Notes (determined separately by each class of equity interest) issued by BNPP AM Euro CLO 2017 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 or plan's investment in the entity (collectively, "**Benefit Plan Investors**"), (ii) confirm the eligibility of a Benefit Plan Investor to purchase the Notes, (iii) obtain from you certain representations and agreements and (iv) obtain from you certain representations and agreements and (iii) provide you with certain related information with respect to your acquisition, holding and disposition of the [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 the [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, the Class F Notes or the 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" 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" 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) through (3) above. If, after the date hereof, any of the categories described in Sections (1) through (3) above would apply, we will promptly notify the Issuer of such change.

5. The Investor is a Benefit Plan Investor that is:

(a) ☐ (i) subject to Part 4 of Title I of ERISA; (ii) does not permit plan participants to direct the purchase of the Notes; and (iii) the fiduciary directing investment in the Issuer has more than $50 million in assets under its management of control and/or is, or is advised by, a bank, insurance company, registered investment adviser or registered broker-dealer.

(b) ☐ (i) subject to Part 4 of the Title I of ERISA; (ii) is a "self-directed" plan (e.g. a 401(k) plan); and (iii) the investment in the Fund is directed by or based on advice from a bank, insurance company, registered investment adviser or registered broker-dealer.

(c) ☐ (i) subject to Section 4975 of the Code (and has not checked 5(a) or 5(b)) (e.g. an IRA); and (ii) the purchase of the Notes is directed by or based on advice from a bank, insurance company, registered investment adviser or registered broker-dealer.

(d) ☐ (i) an entity whose underlying assets include "plan assets" and (ii) whose investment manager is a bank, insurance company or registered investment adviser or has more than $50 million in assets under its management or control.

(e) ☐ a group trust, a bank common or collective trust or an insurance company separate account.

6. No Prohibited Transaction. If we checked any of the boxes in Sections (1) through (3) above, we represent, warrant and agree that our acquisition, holding and disposition of the [Class E Notes] [Class F Notes] [Subordinated Notes] does 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.

7. Not Subject to Other Plan Law and No Violation of Similar 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 or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are substantially 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, the Class F Notes or the 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.

8. ☐ Controlling Person. We are, or we are acting on behalf of any of: (i) the Collateral 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 8 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.

9. 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 Noteholder within 14 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 Noteholder 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.

Required Notification and Agreement. We hereby agree that we (a) will inform the Issuer of any proposed transfer by us of all or a specified portion of the [Class E Notes] [Class F Notes] [Subordinated Notes]and (b) will not initiate any such transfer after we have been informed by the Issuer in writing that such transfer would cause the 25 per cent. limitation to be exceeded. We hereby agree and acknowledge that after the Issuer effects any permitted transfer of the [Class E Notes] [Class F Notes] [Subordinated Notes]owned by us to a Benefit Plan Investor or a Controlling Person or receives notice of any such permitted change of status, the Issuer shall include such [Class E Notes] [Class F Notes] [Subordinated Notes]in future calculations of the 25 per cent. limitation made pursuant hereto unless subsequently notified that such [Class E Notes] [Class F Notes] [Subordinated Notes] (or such portion), as applicable, would no longer be deemed to be held by Benefit Plan Investors or Controlling Persons.

10. 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.

11. 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, the Sole Arranger, the Initial Purchaser and the Collateral Manager as third party beneficiaries hereof, (ii) copies of this Certificate and any information contained herein may be provided to the Issuer, the Trustee, the Sole Arranger, the Initial Purchaser, the Collateral 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 the [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.

12. Future Transfer Requirements.

Transferee Letter and its Delivery. We acknowledge and agree that we may not transfer any of the [Class E Notes] [Class F Notes] [Subordinated Notes] to any person unless the Issuer has received a certificate substantially in the form of this Certificate. 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 € [●] of the [Class E Notes] [Class F Notes] [Subordinated Notes]

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