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

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

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

Without the express written consent of BGCF or the Collateral Manager in the form of a U.S. Risk Retention Waiver, Refinancing Notes may not be acquired in the Offering (as defined below) by "U.S. persons" as defined in the U.S. Risk Retention Rules. Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S. Certain investors may be required to execute a written certification of representation letter by BGCF or the Collateral Manager in respect of their status under the U.S. Risk Retention Rules.

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

The document has been sent to you in the belief that you are (a) a person in member states of the European Economic Area ("**EEA**") that is a "qualified investor" within the meaning of Article 2(1)(e) of EU Directive 2003/71/EC (as amended) ("**Qualified Investor**"), (b) in the United Kingdom, a Qualified Investor of the kind

described in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or who otherwise fall within an exemption set forth in such Order so that section 21(1) of the Financial Services and Markets Act 2000 (as amended) does not apply to the Issuer and (c) a person to whom the document can be sent lawfully in accordance with all other applicable securities laws. If this is not the case then you must return the document immediately.

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

ELM PARK CLO DESIGNATED ACTIVITY COMPANY

(a designated activity company incorporated under the laws of Ireland with registered number 574970 and having its registered office in Ireland)

€324,500,000 Class A-1 Senior Secured Floating Rate Notes due 2029
€60,500,000 Class A-2 Senior Secured Floating Rate Notes due 2029
€42,500,000 Class B Senior Secured Deferrable Floating Rate Notes due 2029
€26,250,000 Class C Senior Secured Deferrable Floating Rate Notes due 2029
€33,500,000 Class D Senior Secured Deferrable Floating Rate Notes due 2029
€14,000,000 Class E Senior Secured Deferrable Floating Rate Notes due 2029

The final Offering Circular dated 24 May 2016 (the "**2016 Offering Circular**") relating to the Original Notes (defined below) is included herein as Annex A and forms an integral part of this Offering Circular. Capitalised terms used herein and not otherwise defined shall have the meanings given to such terms in the 2016 Offering Circular, as amended by this Offering Circular. The 2016 Offering Circular is attached hereto as Annex A.

The assets securing the Refinancing Notes (as defined below) will consist of a portfolio of primarily Senior Obligations, Mezzanine Obligations and High Yield Bonds managed by Blackstone / GSO Debt Funds Management Europe Limited (the "**Collateral Manager**").

On 26 May 2016 (the "**Original Closing Date**") Elm Park CLO Designated Activity Company (the "**Issuer**") issued the Class A-1 Senior Secured Floating Rate Notes (the "**Original Class A-1 Notes**"), the Class A-2 Senior Secured Floating Rate Notes (the "**Original Class A-2 Notes**"), the Class B Senior Secured Deferrable Floating Rate Notes (the "**Original Class B Notes**"), the Class C Senior Secured Deferrable Floating Rate Notes (the "**Original Class C Notes**"), the Class D Senior Secured Deferrable Floating Rate Notes (the "**Original Class D Notes**"), the Class E Senior Secured Deferrable Floating Rate Notes (the "**Original Class E Notes** and, together with the Original Class A-1 Notes, the Original Class A-2 Notes, the Original Class B Notes, the Original Class C Notes and the Original Class D Notes, the "**Refinanced Notes**"), the Subordinated Notes (the Refinanced Notes together with the Subordinated Notes, the "**Original Notes**"). The Original Notes were issued and secured pursuant to a trust deed (the "**Trust Deed**") dated 26 May 2016, made between (amongst others) the Issuer and Citibank, N.A. London Branch, in its capacity as trustee (the "**Trustee**").

On or about 16 April 2018 (the "**Refinancing Date**" and, with respect to the Refinanced Notes, the "**Redemption Date**"), the Issuer will, subject to the certain conditions, refinance the Original Class A-1 Notes, the Original Class A-2 Notes, the Original Class B Notes, the Original Class C Notes, the Original Class D Notes and the Original Class E Notes by issuing €324,500,000 Class A-1 Senior Secured Floating Rate Notes due 2029 (the "**Class A-1 Notes**"), €60,500,000 Class A-2 Senior Secured Floating Rate Notes due 2029 (the "**Class A-2 Notes**"), €42,500,000 Class B Senior Secured Deferrable Floating Rate Notes due 2029 (the "**Class B Notes**"), €26,250,000 Class C Senior Secured Deferrable Floating Rate Notes due 2029 (the "**Class C Notes**"), €33,500,000 Class D Senior Secured Deferrable Floating Rate Notes due 2029 (the "**Class D Notes**") and €14,000,000 Class E Senior Secured Deferrable Floating Rate Notes due 2029 (the "**Class E Notes**" and, together with the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes, the "**Refinancing Notes**") and, together with the Subordinated Notes, the "**Notes**").

The Refinancing Notes will be issued and secured pursuant to a Supplemental Trust Deed (the "**Supplemental Trust Deed**") dated on or about 16 April 2018 (the "**Issue Date**"), made between (amongst others) the Issuer and Citibank, N.A. London Branch, in its capacity as trustee (the "**Trustee**").

Interest on the Refinancing 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 in the 2016 Offering Circular) and semi-annually in arrear on 15 January and 15 July (where the Payment Date (as defined in the 2016 Offering Circular) 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 in the 2016 Offering Circular), 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 July 2018 and ending on the Maturity Date (as defined in the 2016 Offering Circular) in accordance with the Priorities of Payments described herein.

The Refinancing 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 Refinancing Notes.

This Offering Circular 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 trading as Euronext Dublin for the Refinancing Notes to be admitted to the official list (the "**Official List**") and trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin (the "**Main Securities Market**"). Such approval relates only to the Refinancing Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (as amended, "**MiFID II**") and/or which are to be offered to the public in any Member State of the European Economic Area. There can be no assurance that any such listing approval will be granted or, if granted, that such listing and admission to trading will be maintained. This Offering Circular constitutes a "prospectus" for the purposes of the Prospectus Directive and will be made available from the website of the Central Bank and will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus Directive 2003/71/EC Regulations 2005 (as amended) of Ireland.

The Refinancing Notes are limited recourse obligations of the Issuer which are payable solely out of amounts received by or on behalf of the Issuer in respect of the Collateral (as defined in the 2016 Offering Circular). The net proceeds of the realisation of the security over the Collateral upon acceleration of the Refinancing Notes following an Event of Default (as defined in the 2016 Offering Circular) may be insufficient to pay all amounts due on the Refinancing Notes after making payments to other creditors of the Issuer ranking prior thereto or *pari passu* therewith. In the event of a shortfall in such proceeds, the Issuer will not be obliged to pay, and the other assets (including the Issuer Irish Account and the rights of the Issuer under the Administration Agreement (each as defined in the 2016 Offering Circular)) of the Issuer will not be available for payment of such shortfall, all claims in respect of which shall be extinguished. See Condition 4(c) (*Limited Recourse and Non-Petition*).

The Refinancing Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and will be offered only: (a) outside the United States to non-U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) in offshore transactions as defined in 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), in each case, who are both qualified institutional buyers (as defined in Rule 144A under the Securities Act (**Rule 144A**)) in reliance on Rule 144A and qualified purchasers for the purposes of Section 3(c)(7) of the United States Investment Company Act of 1940, as amended (the "**Investment Company Act**"). The Issuer will not be registered under the Investment Company Act.

Interests in the Refinancing Notes will be subject to certain restrictions on transfer, and each purchaser of the Refinancing Notes offered hereby in making its purchase will be deemed to have made (or, in the case of Definitive Certificates, will be required to make) certain acknowledgements, representations and agreements (actual or deemed). See "*Plan of Distribution*" and "*Transfer Restrictions*".

BGCF and the Collateral Manager do not intend to retain at least 5 per cent. of the credit risk of the Issuer as contemplated under the U.S. Risk Retention Rules (as defined herein) in connection with the Refinancing and the offer and sale of the Refinancing Notes. BGCF and the Collateral Manager intend to rely on an exemption provided

for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions that meet certain requirements. Consequently, the Refinancing Notes sold in this Offering may not be purchased by any person except for (a) persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules (such persons "**Risk Retention U.S. Persons**") or (b) persons that have obtained a U.S. Risk Retention Waiver (as defined herein) from BGCF or the Collateral Manager. Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of "U.S. person" in Regulation S. Certain investors may be required to execute a written certification of representation letter by BGCF or the Collateral Manager in respect of their status under the U.S. Risk Retention Rules. See "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention*" and "*Description of BGCF and the Retention Requirements – U.S. Credit Risk Retention*."

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

Barclays

Sole Arranger and Initial Purchaser

The date of this Offering Circular is 13 April 2018

*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 the Collateral Manager, BGCF and their Affiliates", "Description of the Collateral Manager", "Description of BGCF and the Retention Requirements – Description of BGCF and its Business", the first sentence of the second paragraph, the third paragraph and the first sentence of the sixth paragraph of "Risk Factors – Regulatory Initiatives – U.S. Risk Retention" (together, the "**Collateral Manager Information**"). 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), the Collateral Manager 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 this Offering Circular in the section headed "Description of the Collateral Administrator" (the "**Collateral Administrator Information**"). To the best of the knowledge and belief of the Collateral Administrator (which has taken 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. Each of the Collateral Manager and Collateral Administrator accepts responsibility for any information contained in the 2016 Offering Circular that it has accepted responsibility for as being correct at the date of the 2016 Offering Circular. The delivery of this Offering Circular at any time does not imply that the information herein is correct at any time subsequent to the date of this Offering Circular.*

*The Collateral Manager Information, the Collateral Administrator Information and the information contained in the section of this Offering Circular headed "Risk Factors – Certain Conflicts of Interest – Conflicts of interest Involving or Relating to the Initial Purchaser and its Affiliates " (the "**Initial Purchaser Information**" and, together with the Collateral Manager Information and the Collateral Administrator Information, the "**Third Party Information**") has been reproduced from information published by, respectively, the Collateral Manager, the Collateral Administrator, the Initial Purchaser and the Sole Arranger. The Issuer has only made very limited enquiries with regards to the accuracy and completeness of the Third Party Information. As far as the Issuer is aware and is able to ascertain from information published by the Collateral Manager, the Collateral Administrator and the Initial Purchaser, this information has been accurately reproduced and no facts have been omitted which would render the reproduced information inaccurate or misleading. Prospective investors in the Refinancing Notes should not rely upon, and should make their own independent investigations and enquiries in respect of, the accuracy and completeness of the Third Party Information and the Initial Purchaser Information.*

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

None of the Initial Purchaser, the Sole Arranger, the Collateral Manager, the Trustee, any Agent, BGCF or any Hedge Counterparty shall be responsible for, any matter which is the subject of, any statement, representation,

warranty or covenant of the Issuer contained in the Refinancing Notes or any Transaction Documents, or any other agreement or document relating to the Refinancing Notes or any Transaction Document, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof. In making an investment decision, investors must rely on their own examination of the terms of this offering, including the merits and risks involved. The contents of this Offering Circular should not be construed as providing legal, business, accounting or tax advice. Each prospective investor should consult its own legal, business, accounting and tax advisers prior to making a decision to invest in the Refinancing Notes.

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

THE REFINANCING NOTES ARE NOT INTENDED TO BE SOLD AND SHOULD NOT BE SOLD TO RETAIL INVESTORS. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU.

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

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

Each of Moody's Investors Service Ltd and Standard & Poor's Credit Market Services Europe 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 Offering Circular.

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

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

IRISH REGULATORY POSITION

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

RETENTION REQUIREMENTS

In accordance with the Retention Requirements, Blackstone / GSO Corporate Funding Designated Activity Company ("**BGCF**"), in its capacity as the originator, has undertaken to the Issuer, the 2016 Initial Purchaser, the Sole Arranger, the Trustee and the Collateral Administrator in the Retention Undertaking Letter dated 26 May 2016 that, amongst other matters, on the Original Issue Date, it will acquire and hold on an ongoing basis for so long as any Class of Notes remains Outstanding, Subordinated Notes with an original Principal Amount Outstanding (such original Principal Amount Outstanding as calculated as of the date of issuance of such Subordinated Notes) representing no less than 5 per cent. of the greater of the Target Par Amount and the Collateral Principal Amount on the relevant date of determination. Pursuant to the Supplemental Trust Deed to be signed in connection with the Refinancing, BGCF will give the benefit of its representations and covenants in the Retention Undertaking Letter to Barclays Bank PLC (as the 2018 Initial Purchaser). See further "*Description of BGCF and the Retention Requirements*" in the 2016 Offering Circular and "*Description of BGCF and Retention Requirements*" in this Offering Circular.

Each prospective investor in the Refinancing Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction is sufficient to comply with the Retention Requirements or any other regulatory requirement. Notwithstanding anything in this Offering Circular to the contrary, none of the Issuer, the Collateral Manager, any Collateral Manager Related Person, the Initial Purchaser, the Sole Arranger, BGCF, the Agents, 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 requirements of the Retention Requirements, the implementing provisions in respect of the Retention Requirements in their relevant jurisdiction or any other applicable legal, regulatory or other requirements. Each prospective investor in the Refinancing Notes which is subject to the Retention Requirements or any other regulatory requirement should consult with its own legal, accounting and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain. See "*Risk Factors – Regulatory Initiatives*", and "*Risk Factors – Regulatory Initiatives – EU Risk Retention and Due Diligence"* below and "*Risk Factors – Regulatory Initiatives*", "*Risk Factors – EU Risk Retention and Due Diligence*" and "*Description of BGCF and Retention Requirements*" in the 2016 Offering Circular.

VOLCKER RULE

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

A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act 1940 (the "**Investment Company Act**") but is exempt from registration therefrom solely in reliance on either section 3(c)(1) or 3(c)(7) of that Act, subject to certain exemptions and exclusions found in the Volcker Rule's implementing regulations. It is the intention of the Issuer and the Collateral Manager to structure the Issuer's affairs to comply with the requirements of Rule 3a-7 under the Investment Company Act which will mean, among other things, that the Issuer will not be expected to fall within the definition of a "covered fund" for the purposes of the Volcker Rule.

However, there can be no assurance that the Issuer will not be treated as a "covered fund" or that the Issuer will be viewed by a regulator in the United States as having complied with the requirements of Rule 3a-7. An "ownership

interest" is defined widely and may arise through a holder's exposure to the profits and losses of the covered fund, as well as through any right of the holder to participate in the selection or removal of, among others, an investment advisor, investment or collateral manager, or general partner, trustee, or member of the board of directors of the covered fund. It is uncertain whether any of the Rated Notes may be similarly characterised as ownership interests. For instance, there is currently uncertainty as to whether the rights of Noteholders to participate in the removal of, and/or selection of a replacement for, the Collateral Manager for cause in and of itself will be construed as indicative of an ownership interest by the Noteholders of the relevant Class of Notes. Such characterisation may have adverse effects on the Issuer and the liquidity and value of the Refinancing Notes, including limiting the secondary market of the Refinancing Notes and affecting the Issuer's access to liquidity and ability to hedge its exposures.

If the Issuer is deemed to be a covered fund, then in the absence of regulatory relief, the provisions of the Volcker Rule and its related regulatory guidance, will prohibit or severely limit the ability of "banking entities" to hold an ownership interest in the Issuer or enter financial transactions with the Issuer. The holders of any of the Class A Notes, the Class B Notes and the Class C Notes in the form of CM Non-Voting Notes or CM Exchangeable Non-Voting Notes are disenfranchised in respect of any CM Removal Resolution or CM Replacement Resolution, which disenfranchisement is intended to exclude such Notes from within the definition of "ownership interest". However, there can be no assurance that these features will be effective in resulting in such investments in the Issuer by U.S. banking organisations and other banking entities subject to the Volcker Rule not being characterised as an "ownership interest" in the Issuer.

Investors should conduct their own analysis to determine whether the Issuer is a "covered fund" for their purposes. See further also "*Risk Factors – Regulatory Initiatives – Issuer Reliance on Rule 3a-7*" and "*Risk Factors – Regulatory Initiatives – Volcker Rule*" in the 2016 Offering Circular. In any event, if it were determined that the Issuer did not qualify for the exclusion provided by Rule 3a-7 there is a high likelihood that the Issuer would be determined to be a "covered fund".

Each investor is responsible for analysing its own position under the Volcker Rule and any other similar laws and regulations and none of the Issuer, the Initial Purchaser, the Collateral Manager, BGCF, the Trustee or the Arranger nor any of their Affiliates makes any representation to any prospective investor or purchaser of the Refinancing Notes regarding the application of the Volcker Rule to the Issuer, or to such investor's investment in the Refinancing Notes on the Issue Date or at any time in the future.

Information as to placement within the United States

The Refinancing Notes of each Class offered in this Offering pursuant to an exemption from registration requirements under Rule 144A under the Securities Act ("**Rule 144A**") (the "**Rule 144A Notes**") may only be sold within the United States to persons and outside the United States to U.S. persons (as such term is defined in Regulation S), in each case, who are "qualified institutional buyers" (as defined in Rule 144A) ("**QIBs**") that are also "qualified purchasers" for purposes of Section 3(c)(7) of the Investment Company Act ("**QPs**"). Rule 144A Notes of each Class of Refinancing Notes 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 the case of Rule 144A Notes which are 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 S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or, in the case of Rule 144A Definitive Certificates, the registered holder thereof.

The Refinancing Notes of each Class (the "**Regulation S Notes**") sold outside the United States in this Offering to non-U.S. persons (as defined in 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 (as defined in Regulation S) 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 at any time. 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. Refinancing Notes in definitive certificated form will be issued only in limited circumstances.

The Refinancing Notes sold in this Offering may not be purchased by any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk Retention Waiver (as defined herein) from BGCF or the Collateral Manager. Purchasers and transferees of the Refinancing Notes, including beneficial interests therein, will be deemed and in certain circumstances will be required to have made certain representations and agreements, including that each purchaser in this Offering (1) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from BGCF or the Collateral Manager, and (2) is not acquiring such Refinancing Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Refinancing Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section __.20 of the U.S. Risk Retention Rules described in "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention*"). Certain investors may be required to execute a written certification of representation letter by BGCF or the Collateral Manager in respect of their status under the U.S. Risk Retention Rules. See "*Plan of Distribution*" and "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention*" below.

As at the Issue Date, the Issuer has not been registered under the Investment Company Act in reliance on Section 3(c)(7) of the Investment Company Act. Exemptions or exclusions from registration as an investment company under the Investment Company Act other than those set out in sections 3(c)(1) and 3(c)(7) of the Investment Company Act may be available to the Issuer, but it is unlikely, and there can be no assurance that, any such exemptions or exclusions will be available or that the Issuer will elect to rely on such exemptions. Each purchaser of an interest in the Refinancing Notes (other than a non-U.S. person (as defined in Regulation S) outside the U.S.) will be deemed (or, in the case of a Definitive Certificate, required) to have represented and agreed that it is both a QIB and a QP and will also be deemed or required to have made the representations set out in "*Transfer Restrictions*" herein. The purchaser of any Refinancing Note, by such purchase, agrees that such Refinancing Note is being acquired for its own account and not with a view to distribution (other than in the case of the Initial Purchaser) and may be resold, pledged or otherwise transferred only (1) to the Issuer (upon redemption thereof or otherwise), (2) to a person the purchaser reasonably believes is a QIB which is also a QP, in a transaction meeting the requirements of Rule 144A, or (3) outside the United States to a non-U.S. person (as defined in Regulation S) in an offshore transaction in reliance on Regulation S, in each case, in compliance with the Trust Deed and all applicable securities laws of any state of the United States or any other jurisdiction. See "*Transfer Restrictions*".

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

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

This Offering Circular has been prepared by the Issuer solely for use in connection with the offering of the Refinancing Notes described herein (the "**Offering**"). Each of the Issuer and the Initial Purchaser reserves the right to reject any offer to purchase Refinancing Notes in whole or in part for any reason, or to sell less than the stated initial principal amount of any Class of Refinancing Notes offered hereby. This Offering Circular is personal to each offeree to whom it has been delivered by the Issuer, the Initial Purchaser or any Affiliate thereof and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the

Refinancing Notes. Distribution of this Offering Circular to any persons other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited. Any reproduction or distribution of this Offering Circular in whole or in part and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the securities offered herein is prohibited.

Available Information

To permit compliance with the Securities Act in connection with the sale of the Refinancing Notes in reliance on Rule 144A, the Issuer will be required under the Trust Deed to furnish upon request to a holder or beneficial owner who is a QIB of a Refinancing Note sold in reliance on Rule 144A or a prospective investor who is a QIB designated by such holder or beneficial owner the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request the Issuer is neither a reporting company under Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act. All information made available by the Issuer pursuant to the terms of this paragraph may also be obtained during usual business hours free of charge at the office of the Principal Paying Agent.

General Notice

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

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

Commodity Pool Regulation

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

ABILITY TO ENGAGE IN HEDGING ACTIVITIES ON BEHALF OF THE ISSUER. SEE *"RISK FACTORS - REGULATORY INITIATIVES – COMMODITY POOL REGULATION"*.

MiFID II

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

PRIIPS

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

TABLE OF CONTENTS

Page

OVERVIEW

*The following Overview does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this offering circular (this "**Offering Circular**") and related documents referred to herein. Capitalised terms not specifically defined in this Overview have the meanings set out in Condition 1 (Definitions) under "Conditions" in the 2016 Offering Circular or are defined elsewhere in this Offering Circular. It should be read in conjunction with the section entitled "Overview" beginning on page 1 of the 2016 Offering Circular. An index of defined terms appears at the back of this Offering Circular. References to a "Condition" are to the specified Condition in the "Conditions" and references to "Conditions" are to the "Terms and Conditions of the Notes". For a discussion of certain risk factors to be considered in connection with an investment in the Refinancing Notes, see "Risk Factors".*

Issuer	Elm Park CLO Designated Activity Company, a designated activity company incorporated under the laws of Ireland with registered number 574970 and having its registered office at 2nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland.
BGCF	Blackstone / GSO Corporate Funding Designated Activity Company.
Collateral Manager	Blackstone / GSO Debt Funds Management Europe Limited.
Trustee	Citibank, N.A. London Branch.
Initial Purchaser	Barclays Bank PLC.
Collateral Administrator	Virtus Group LP.

Refinancing Notes

Class of Refinancing Notes	Principal Amount	Initial Stated Interest Rate[1]	Alternative Stated Interest Rate[3]	Moody's Ratings of at least[4]	S&P Ratings of at least[4]	Maturity Date	Initial Offer Price[5]
A-1	€324,500,000	3 month EURIBOR + 0.62%	6 month EURIBOR + 0.62%	"Aaa(sf)"	"AAA(sf"	16 April 2029	100%
A-2	€60,500,000	3 month EURIBOR + 1.20%	6 month EURIBOR + 1.20%	"Aa2(sf)"	"AA(sf)"	16 April 2029	100%
B	€42,500,000	3 month EURIBOR + 1.70%	6 month EURIBOR + 1.70%	"A2(sf)"	"A(sf)"	16 April 2029	100%
C	€26,250,000	3 month EURIBOR + 2.45%	6 month EURIBOR + 2.45%	"Baa2(sf)"	"BBB(sf)"	16 April 2029	100%
D	€33,500,000	3 month EURIBOR + 5.25%	6 month EURIBOR + 5.25%	"Ba2(sf)"	"BB(sf)"	16 April 2029	100%
E	€14,000,000	3 month EURIBOR + 7.25%	6 month EURIBOR + 7.25%	"B2(sf)"	"B-(sf)"	16 April 2029	100%

1 Applicable at all times prior to the occurrence of a Frequency Switch Event.

2 Applicable at all times following the occurrence of a Frequency Switch Event, provided that the rate of interest of the Floating Rate Refinancing Notes of each Class for the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date will, if such first mentioned Payment Date falls in January 2029, be determined by reference to three month EURIBOR.

3 The ratings assigned to the Class A-1 Notes and the Class A-2 Notes by S&P address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes by S&P address the ultimate payment of principal and interest. The ratings assigned to the Refinancing 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 Refinancing Notes and may be subject to revision, suspension or withdrawal at any time by the applicable Rating Agency.

4 As of the date of this Offering Circular, 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.

5 The Initial Purchaser may offer the Refinancing Notes at other prices as may be negotiated at the time of sale which may vary among different purchasers.

Eligible Purchasers	The Refinancing Notes of each Class will be offered: (a) outside of the United States to non-U.S. persons in "offshore transactions" in reliance on Regulation S; and (b) within the United States to persons and outside the United States to U.S. persons, in each case, who are QIB/QPs in reliance on Rule 144A. The Refinancing Notes sold pursuant to this Offering may not be purchased by any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk Retention Waiver from BGCF or the Collateral Manager. See "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention*".
Original Closing Date	26 May 2016
Refinancing Date	16 April 2018
Payment Dates	15 January, 15 April, 15 July and 15 October prior to the occurrence of a Frequency Switch Event and on 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 on 15 April or 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 in July 2018 and ending on the Maturity Date (subject to any earlier redemption of the Refinancing Notes and in each case to adjustment for non Business Days in accordance with the Conditions).
Stated Note Interest	Interest in respect of the Refinancing Notes of each Class will be payable quarterly in arrear prior to the occurrence of a Frequency Switch Event and semi-annually in arrear following the occurrence of a Frequency Switch Event, in each case on each Payment Date (with the first Payment Date occurring on 15 July 2018) in accordance with the Interest Proceeds 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 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 B Notes, Class C Notes, Class D Notes or Class E 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 B Notes, Class C Notes, Class D Notes or Class E 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 B Notes, Class C Notes, the Class D Notes and the Class E 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

See the section entitled "*Redemption of the Notes*" within the "*Overview*" section in the 2016 Offering Circular, which is amended herein to remove the right for principal payments on the Notes to be made:

(a) in whole (with respect to all Classes of Rated Notes) from Refinancing Proceeds during the period expiring on 15 April 2019 pursuant to Condition 7(b)(i) (*Optional Redemption in whole – Subordinated Noteholders*); and

(b) in part by the redemption in whole of one or more of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and/or the Class E Notes from Refinancing Proceeds pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager / Subordinated Noteholders*).

The Portfolio

The operation of the Weighted Average Life Test, the S&P CDO Monitor Test, the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average

	Floating Spread Test are being amended, the S&P Minimum Weighted Average Recovery Rate Test is being deleted and the definition of "Cov-Lite Loan" and the Moody's Test Matrix and certain Eligibility Criteria, Portfolio Profile Tests and Reinvestment Criteria are being amended, each as set out in the Collateral Management and Administration Agreement. Purchasers of the Refinancing Notes will be deemed to have approved these amendments, each as contained in the Supplemental Trust Deed, by their subscription of the relevant classes of the Refinancing Notes and the Subordinated Noteholders have consented to such changes acting by way of Extraordinary Resolution, as required. See the section entitled "*The Portfolio*" below and in the 2016 Offering Circular.
Listing	This Offering Circular has been approved by the Central Bank, as competent authority under 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 trading as Euronext Dublin for the Refinancing Notes to be admitted to the Official List and trading on the Main Securities Market. Such approval relates only to the Refinancing Notes which are to be admitted to trading on a regulated market for the purposes of the Prospectus Directive and/or which are to be offered to the public in any Member State of the European Economic Area. There can be no assurance that any such listing approval will be granted or, if granted, that such listing and admission to trading will be maintained. This Offering Circular constitutes a "prospectus" for the purposes of the Prospectus Directive and will be made available from the website of the Central Bank and will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus Directive 2003/71/EC Regulations 2005 (as amended) of Ireland.
Form, Registration and Transfer of the Notes	The Regulation S Notes of each Class (other than, in certain circumstances, the Class D Notes and the Class E Notes) of Refinancing Notes sold to non-U.S. persons (as defined in Regulation S) in offshore transactions 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 SA/NV., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"). Beneficial interests in a Regulation S Global Certificate may at any time be held only through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. See "*Form of the*

Notes" and "*Book Entry Clearance Procedures*" in the 2016 Offering Circular. Interests in any Regulation S Note may not at any time be held by any U.S. person (as defined in Regulation S) or U.S. Resident.

The Rule 144A Notes of each Class of Refinancing Note sold in reliance on Rule 144A within the United States to persons and outside the United States to U.S. Persons, in each case, who are both QIBs and 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 Regulation S Global Certificates and the Rule 144A Global Certificates will bear a legend and such Regulation S Global Certificates and the Rule 144A Global Certificates, or any interest therein, may not be transferred except in compliance with the transfer restrictions set out in such legend. See "*Transfer Restrictions*".

No beneficial interest in a Rule 144A Global Certificate may be transferred to a person who takes delivery thereof through a Regulation S Global Certificate unless the transferor provides the Transfer Agent with a written certification substantially in the form set out in the Trust Deed regarding compliance with certain of such transfer restrictions. Any transfer of a beneficial interest in a Regulation S Global Certificate to a person who takes delivery through an interest in a Rule 144A Global Certificate is also subject to certification requirements substantially in the form set out in the Trust Deed and each purchaser thereof shall be deemed to represent that such purchaser is both a QIB and a QP. In addition, interests in any of the Regulation S Notes may not at any time be held by any U.S. person (as defined in Regulation S) or U.S. Resident. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*" in the 2016 Offering Circular.

Each initial investor (other than the Initial Purchaser) in: (a) any Class D Notes or Class E Notes in the form of Rule 144A Notes or (b) any Class D Notes or Class E Notes in the form of Regulation S Notes represented by a Regulation S Definitive Certificate, purchased on the Issue Date will be required to enter into a subscription agreement with the Initial Purchaser in which such investor will certify as to, among other matters, its status under the Securities Act, the Investment Company Act and ERISA. Each initial investor and each transferee of a Class D Note or a Class E Note (or any interest therein) shall be deemed, and in certain circumstances required, to represent (among other things), that it is not a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor and (other than BGCF and the Collateral Manager provided they have given an

ERISA certificate (substantially in the form of Annex B to this Offering Circular) to the Issuer or as otherwise permitted in writing by the Issuer with respect to interests in Class D Notes or Class E Notes acquired in the initial offering, provided such relevant investor has given an ERISA certificate (substantially in the form of Annex B to this Offering Circular) to the Issuer) that it is not and is not acting on behalf of, a Controlling Person. However, notwithstanding the foregoing, an investor that is a Controlling Person or a Benefit Plan Investor or acting on behalf of a Controlling Person or Benefit Plan Investor, may acquire such Class D Note or Class E Note (or any interest therein) in Definitive Certificate form if such transferee: (i) obtains the written consent of the Issuer; and (ii) provides an ERISA certificate (substantially in the form of Annex B to this Offering Circular) to the Issuer as to its status as a Benefit Plan Investor or Controlling Person. Notwithstanding the foregoing, in all events, BGCF, the Collateral Manager or any purchaser in the initial offering of Class D Notes or Class E Notes which has the written permission of the Issuer as described above, provided they have given an ERISA certificate (substantially in the form of Annex B to this Offering Circular) to the Issuer, may hold Class D Notes or Class E Notes in the form of Definitive Certificates, Regulation S Global Certificates or Rule 144A Global Certificates, regardless of whether they are a Controlling Person or a Benefit Plan Investor or acting on behalf of a Controlling Person or Benefit Plan Investor for the purposes of ERISA. No proposed purchase or transfer of Class D Notes or Class E Notes (or interests therein), in any form, will be permitted or recognised if a purchase or transfer to a transferee will cause 25 per cent. or more of the total value of the Class D Notes or Class E Notes (determined separately by class) to be held by Benefit Plan Investors, disregarding Class D Notes, Class E Notes or Subordinated Notes (or interests therein) held by Controlling Persons, as determined under ERISA and applicable U.S. Department of Labor regulations

Except in the limited circumstances described herein, Refinancing 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*" in the 2016 Offering Circular.

The Refinancing Notes sold in this Offering may not be purchased by any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk Retention Waiver (as defined herein) from BGCF or the Collateral Manager. See "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention*" below.

Transfers of interests in the Refinancing Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in the Trust Deed. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*" in the 2016 Offering Circular and "*Transfer Restrictions*" below. Each purchaser of

	Refinancing Notes in making its purchase will make certain acknowledgements, representations and agreements (actual or deemed). See "*Transfer Restrictions*" below. The transfer of Notes in breach of certain of such representations and agreements will result in affected Refinancing 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*).
Tax Status	See "*Tax Considerations*".
Certain ERISA Considerations	See "*Certain ERISA Considerations*" in the 2016 Offering Circular and "*Additional ERISA Considerations*".
Withholding Tax	No gross up of any payments to the Noteholders will be required of the Issuer. See Condition 9 (*Taxation*).
U.S. Credit Risk Retention	BGCF and the Collateral Manager do not intend to retain at least 5 per cent. of the credit risk of the Issuer as contemplated under the U.S. Risk Retention Rules in connection with the Refinancing and the offer and sale of the Refinancing Notes. See "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention*" and "*Description of BGCF and the Retention Requirements – U.S. Credit Risk Retention*."

RISK FACTORS

An investment in the Refinancing Notes of any Class involves certain risks, including risks relating to the Collateral securing such Refinancing Notes and risks relating to the structure and rights of such Refinancing Notes and the related arrangements. There can be no assurance that the Issuer will not incur losses or that investors will receive a return on their investments. Prospective investors should carefully consider the following factors and the "Risk Factors" in the 2016 Offering Circular, in addition to the matters set forth elsewhere in this Offering Circular and the 2016 Offering Circular, prior to investing in any Refinancing Notes. Terms not defined in this section and not otherwise defined above have the meanings set out in Condition 1 (Definitions) of the "Conditions" in the 2016 Offering Circular, as amended by this Offering Circular.

The following limited supplemental disclosure is being provided to you to inform you of certain risks arising from the issuance of the Refinancing Notes but does not purport to (and none of the Issuer, the Initial Purchaser, the Sole Arranger, the Collateral Manager or their respective affiliates makes any representations that it purports to) comprehensively update the 2016 Offering Circular or disclose all risk factors (whether legal or otherwise) which may arise by or relate to the issuance of the Refinancing Notes.

1. GENERAL

1.1 Relating to the Refinancing Notes

The Issuer commenced operations under the Trust Deed on the Original Closing Date. While the most recent Monthly Report prior to the Refinancing Date, dated as of 12 March 2018, with respect to the Portfolio has been filed with the Irish Stock Exchange plc trading as Euronext Dublin (the "**Latest Monthly Report**"), such information has not been audited or otherwise reviewed by any accounting firm.

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

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

No information is provided in this Offering Circular regarding the Issuer's investment performance and portfolio except as set forth in the Latest Monthly Report and no information is provided in this Offering Circular regarding any other aspect of the Issuer's operations. While the Issuer believes that it has complied with the requirements of the Trust Deed, no assurance can be given that neither the Issuer nor the Collateral Manager has unintentionally

failed to comply with one or more of their respective obligations under the Trust Deed or the Collateral Management and Administration Agreement, nor that any such failure will not have a material adverse effect on holders in the future.

1.2 UK Referendum on Membership of the European Union

On 23 June 2016 the United Kingdom (the "**UK**") held a referendum to decide on the UK's membership of the European Union. The UK vote was to leave the European Union and the UK Government invoked article 50 of the Lisbon Treaty relating to withdrawal on 29 March 2017. Under article 50, the Treaty on the European Union and the Treaty on the Functioning of the European Union cease to apply in the relevant state from the date of entry into force of a withdrawal agreement, or, failing that, two years after the notification of intention to withdraw, although this period may be extended in certain circumstances. There are a number of uncertainties in connection with the future of the UK and its relationship with the European Union. The negotiation of the UK's exit terms is likely to take a number of years. Until the terms and timing of the UK's exit from the European Union are clearer, it is not possible to determine the impact that the referendum, the UK's departure from the European Union and/or any related matters may have on the business of the Issuer (including the performance of the loans), the Collateral Manager, one or more of the other parties to the Transaction Documents or any Obligor, or on the regulatory position of any such entity or of the transactions contemplated by the Transaction Documents under European Union regulation or more generally. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Refinancing Notes and/or the market value and/or the liquidity of the Refinancing Notes in the secondary market.

1.3 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 Refinancing 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 Refinancing 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 Refinancing Notes will constitute legal investments for them or are subject to investment or other regulatory restrictions, unfavourable accounting treatment, capital charges or reserve requirements.

1.4 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.

1.5 Euro and Euro Zone Risk

Investors should carefully consider how changes to the Euro zone may affect their investment in the Retention Notes. Since the global economic crisis, the ongoing deterioration of the sovereign debt of several countries together with the risk of contagion to other, more stable, countries has continued to pose risks. This situation has also raised 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, the European Commission created the European Financial Stability Facility (the "**EFSF**") and the European Financial Stability Mechanism (the "**EFSM**") to provide funding to Euro zone countries in financial difficulties that seek such support. Subsequently, the European Council agreed that Euro zone countries would establish a permanent stability mechanism, the European Stability Mechanism (the "**ESM**"), to assume the role of the EFSF and the EFSM in providing external financial assistance to Euro zone countries which has been active since 1 July 2013.

Despite these measures, concerns persist regarding the growing risk that other Euro zone countries could be subject to an increase in borrowing costs and could face an economic crisis similar to that of Cyprus, Greece, Ireland, Italy, Portugal and Spain, together with the risk that some countries could leave the Euro zone (either voluntarily or

involuntarily), 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.

1.6 S&P

On 21 January 2015, the SEC entered into administrative settlement agreements with S&P with respect to, among other things, multiple allegations of making misleading public statements with respect to its ratings methodology and certain misleading publications concerning criteria and research, in each case relating to commercial mortgage-backed securities transactions. S&P neither admitted nor denied the charges in these settlements. As a result of these settlement agreements, the SEC ordered S&P censured and enjoined S&P from violating the statutory provisions and rules related to the allegations described above. Additionally, S&P agreed to pay civil penalties and other disgorgements exceeding $76 million. On 3 February 2015, S&P entered into a settlement agreement with the United States Justice Department, 19 States and the District of Columbia, to settle lawsuits relating to S&P's alleged inflation of ratings on subprime mortgage bonds. S&P did not admit to any wrongdoing in connection with such settlement. Also on 3 February 2015, S&P entered into a settlement agreement with the California Public Employees Retirement System to resolve claims over three structured investment vehicles. Under the 3 February 2015 settlement agreements, S&P agreed to pay approximately $1.5 billion in the aggregate to the related claimants.

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

1.7 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 disagreed with Judge Peck and ruled in a

different group of proceedings commenced by the Lehman Brothers Chapter 11 debtors that a series of flip clauses were enforceable for several reasons, including the protection of those clauses by provisions in the U.S. Bankruptcy Code known as "safe harbors". Lehman has filed a notice of appeal with regards to the decision. Given the current state of U.S. and English law, this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies.

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 Refinancing Notes. If any rating assigned to the Refinancing Notes is lowered, the market value of the Refinancing Notes may reduce.

1.8 Foreign Account Tax Compliance Act Withholding

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income, and on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into between the United States and Ireland, the Issuer will not be subject to withholding under FATCA if it complies with Irish regulations that require the Issuer to provide the name, address, and taxpayer identification number of, and certain other information (including its direct or indirect owners or beneficial owners) with respect to, certain Noteholders to the Irish Revenue Commissioners, which would then provide this information to the U.S. Internal Revenue Service (the **IRS**). There can be no assurance that the Issuer will be able to comply with these regulations. In addition, the intergovernmental agreement could be amended to require the Issuer to withhold on "passthru" payments to certain investors that fail to provide information to the Issuer or are "foreign financial institutions" that do not comply with FATCA.

The Issuer may be prohibited from complying with FATCA if a "related entity" of the Issuer or, if applicable, any member of the same "expanded affiliated group" as the Issuer is subject to FATCA but fails to comply with FATCA. Although subject to uncertainty, only the related entity rules and not the expanded affiliated group rules should be applicable, and BGCF should not be treated as a related entity of the Issuer. If, however, BGCF is treated as a related entity of the Issuer (or if the expanded affiliated group rules are applicable to the Issuer) and either BGCF or any other related entity of the Issuer (or if applicable, any member of the Issuer's expanded affiliated group) fails to maintain its status as compliant with FATCA, the Issuer could be prohibited from being treated as compliant with FATCA.

If a Noteholder fails to provide the Issuer or its agents with any correct, complete and accurate information that may be required for the Issuer to comply with FATCA and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer, or if the Noteholder's ownership of any Notes would otherwise cause the Issuer to be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise distributable to the Noteholder, to compel the Noteholder to sell its Notes, and, if the Noteholder does not sell its Notes within 30 business days after notice from the Issuer, to sell the Noteholder's Notes on behalf of the

Noteholder. Similarly, a beneficial owner of Notes that holds its Notes through an intermediary may be subject to withholding tax on distributions on the Notes or forced sale of its interest in the Notes if it fails to provide certifications and certain other information (including its direct or indirect owners or beneficial owners) about itself required under FATCA.

1.9 LIBOR and EURIBOR Reform

The London Interbank 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.

The Euro Interbank Offered Rate (for the purposes of this risk factor, "**EURIBOR**"), together with LIBOR, and other so-called "benchmarks" are the subject of reform measures by a number of international authorities and other bodies.

In a speech on 27 July 2017, Andrew Bailey, the Chief Executive of the UK Financial Conduct Authority ("**FCA**"), announced the FCA's intention that the use of LIBOR is expected to be phased out from the end of 2021. The sustainability of LIBOR has been questioned by the FCA as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of regulatory reforms (including those discussed below)) for market participants to continue contributing to such benchmarks. Although market participants in the leveraged loan and CLO markets are generally aware of this proposed future phase out of LIBOR, no consensus exists at this time as to the successor benchmark interest rate with respect to the Collateral Obligations that currently bear interest at a LIBOR rate.

The FCA has statutory powers to compel panel banks to contribute to LIBOR where necessary. The FCA has decided not to ask, or to require, that panel banks continue to submit contributions to LIBOR beyond the end of 2021. The FCA has indicated that the current panel banks will voluntarily sustain LIBOR until the end of 2021. The FCA's intention is that after 2021, it will no longer be necessary for the FCA to persuade, or to compel, banks to submit to LIBOR. The FCA does not intend to sustain LIBOR through using its influence or legal powers beyond that date.

It is possible that the LIBOR administrator, ICE Benchmark Administration Limited, and the panel banks could continue to produce LIBOR on the current basis after 2021, if they are willing and able to do so. However, the survival of LIBOR in its current form, or at all, is not guaranteed after 2021.

Therefore, these reforms and other pressures may cause LIBOR (and other benchmarks, including EURIBOR) to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any of these resulting changes would impact on the Transaction Documents. Any changes to LIBOR (or any other related benchmark, including EURIBOR) could potentially have a material adverse effect on interest payments payable under this transaction and the potential consequences of which investors should be aware are set out below at the end of this risk factor, including as to amendments to the Transaction Documents as further described below.

In the EU, 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. The application date for the majority of its provisions was 1 January 2018. It is directly applicable law across the EU.

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 record-keeping 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. EURIBOR and LIBOR have been designated "critical benchmarks" for the purposes of the Benchmark Regulation by way of Commission Implementing Regulations published on 12 August 2016 and 28 December 2017, respectively.

In addition to the potential ramifications to the future of LIBOR resulting from the FCA's announcement of 27 July 2017 outlined above, benchmarks such as LIBOR or EURIBOR may be discontinued if they do not comply with the requirements of the Benchmark Regulation, or if the administrator of the benchmark either fails to apply for authorisation or is refused authorisation by its home regulator.

Potential effects of the Benchmark Regulation include (among other things):

(a) an index which is a "benchmark" could not be used by a supervised entity in certain ways if its administrator does not obtain authorisation or, if based in a non-EU jurisdiction, the administrator is not otherwise recognised as equivalent; and

(b) the methodology or other terms of the "benchmark" could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could (among other things) have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level of the benchmark.

Investors should be aware that:

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

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

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

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

(d) if any of the relevant EURIBOR benchmarks referenced in Condition 6(e)(i)(A) (*Floating Rate of Interest*) is discontinued, interest on the Rated Notes will be calculated under Condition 6(e)(i)(B) (*Floating Rate of Interest*); and

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

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

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

Many jurisdictions have adopted wide-ranging anti-money laundering, anti-terrorism, economic and trade sanctions, and anti-corruption and anti-bribery laws, and regulations (collectively, the "**Requirements**"). Any of the Issuer, the Initial Purchaser, the Collateral Manager, the Agents or the Trustee could be requested or required to obtain certain assurances from prospective investors intending to purchase Refinancing Notes and to retain such information or to disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future. It is expected that the Issuer, the Initial Purchaser, the 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 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 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 Refinancing Notes. In addition, it is expected that each of the Issuer, 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.

1.11 CRA Regulation

Regulation (EU) 462/2013 of the European Parliament and of the European Council amending Regulation EC 1060/2009 on credit rating agencies ("**CRA3**") came into force on 20 June 2013. Article 8(b) of CRA3 requires issuers, sponsors and originators of structured finance instruments such as the Notes to make detailed disclosures of information relating to those structured finance instruments. The European Commission has adopted a delegated regulation, detailing the scope and nature of the required disclosure which disclosure reporting requirements became effective on 1 January 2017. Such disclosures are 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 are currently unable to comply with Article 8(b). In their current form, the regulatory technical standards only apply to structured finance instruments for which a reporting template has been specified. Currently there is no template for CLO transactions but if a template for CLO transactions were to be published and the website for disclosure were to be set up by ESMA, 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 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.

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 less 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.

1.12 EU Bank Recovery and Resolution Directive

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

1.13 Third Party Litigation; Limited Funds Available

The Issuer's investment activities may subject it to the risks of becoming involved in litigation by third parties. This risk may be greater where the Issuer exercises control or significant influence over a company's direction. The expense of defending against claims against the Issuer by third parties and paying any amounts pursuant to settlements or judgments would be borne by the Issuer in accordance with the Priorities of Payments. The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Collateral Administrator and for payment of the Issuer's other accrued and unpaid Administrative Expenses are limited to amounts available in accordance with the Priorities of 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 the Issuer may not be able to defend or prosecute legal proceedings that may be bought against it or that the Issuer might otherwise bring to protect its interests.

2. TAXATION

2.1 EU Financial Transaction Tax – ("FTT")

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the "**Commission's Proposal**") for a FTT to be adopted in certain participating EU member states (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (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 Refinancing 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 Refinancing Notes (including secondary market transactions) if the conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's Proposal. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt. There is however uncertainty in relation to the intended scope of this exemption for certain money market instruments and structured issues.

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

2.2 OECD Action Plan on Base Erosion and Profit Shifting

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

In July 2013 the OECD published its Action Plan on BEPS, which proposed fifteen actions intended to counter international tax base erosion and profit shifting. The focus of one of the action points ("**Action 6**") is the prevention of treaty abuse by developing model treaty provisions to prevent the granting of treaty benefits in inappropriate circumstances.

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

Investors should note that other action points (such as Action 4, which can deny deductions for financing costs) may be implemented in a manner which may affect the tax position of the Issuer.

Action 6

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

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

The multilateral convention also permits jurisdictions to choose to apply, in addition to the PPT, a ""simplified limitation of benefits"" rule. This rule would generally deny a treaty benefit to a resident which is not a ""qualified person"". It is not expected that the Issuer would be a "qualified person" as defined in the multilateral convention. However, the Issuer may nevertheless be able to claim treaty benefits: (i) if persons who would be entitled to equivalent or more favourable treaty benefits were they to own the income or earn the profits of the Issuer directly own at least 75% of the beneficial interests of the Issuer for at least half of the days of any 12 month period that includes the time when the Issuer is claiming the treaty benefit; or (ii) if the Issuer is able to demonstrate to the satisfaction of the relevant tax authority that neither its establishment, acquisition or maintenance, nor the conduct of its operation, had as one of its principal purposes the obtaining of the treaty benefit.

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

Upon signing the multilateral convention Ireland provided a provisional list of expected reservations and notifications to be made pursuant to it. In the list provided by Ireland it did not elect to apply the simplified limitation of benefits rule or permit it to be applied by other jurisdictions to its treaties. As a result, the double tax treaties Ireland has entered into are expected to only apply a principal purpose test. It is not clear, however, how this test would be interpreted by the relevant tax authorities. On 24 March 2016, the OECD published a public discussion draft consulting on the treaty entitlement of non-CIV funds (that is, of funds that are not collective investment vehicles). The OECD published a further public discussion draft on 6 January 2017 which included examples of common transactions involving non-CIV funds to help clarify the application of the principal purpose test. These examples were subsequently incorporated in the 2017 update to the OECD Model Treaty and associated commentary published on 16 December 2017. This work may be relevant to the treaty entitlement of the Issuer. However, the OECD has not yet finalised its position in relation to non-CIV funds, and in any event it is not clear how any such position might be implemented through the multilateral convention otherwise than by the bilateral negotiation of a "detailed limitation of benefits" rule.

Consequences of a denial of treaty benefits

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

If a Collateral Tax Event were to occur the Notes may be redeemed in accordance with Condition 7(b) (*Optional Redemption*) at the option of the Subordinated Noteholder, subject to certain conditions.

2.3 Changes in Tax Law

The Issuer has been advised that under current Irish law, the Collateral Management Fees should be exempt from value added tax in Ireland as consideration paid for collective portfolio management services provided to a "qualifying company" for the purposes of section 110 of the Taxes Consolidation Act of Ireland 1997, as amended ("**TCA**"). This is based upon Article 135(1)(g) of Council Directive 2006/112/EC on the Common System of Value Added Tax (the "**VAT Directive**"), which provides that EU member states shall exempt the management of "special investment funds" as defined by EU member states. The Value-Added Tax Consolidation Act 2010 of Ireland, in the

provisions implementing Article 135(1)(g) of the VAT Directive, specifically lists, in the categories of undertakings to whom supplies of management services are exempt from VAT, undertakings which are "qualifying companies" for the purposes of section 110 of the TCA. The Issuer has been advised that it will be such a "qualifying company", therefore management services supplied to it are exempt from value added tax in Ireland under current law. On 9 December 2015 the European Court of Justice handed down its judgment in the case of *Staatssecretaris van Financiën v Fiscale Eenheid X NV cs* Case C-595/13 which concerned Dutch law on value added tax, in particular the Dutch interpretation of the term "special investment fund" under the VAT Directive, and could suggest that the exemption had been enacted by some member states more broadly than is permitted by the VAT Directive. The Issuer is not, however, aware of any proposal to amend Irish domestic law to remove the exemption from value added tax on Collateral Management Fees for entities such as the Issuer.

3. REGULATORY INITIATIVES

3.1 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 have been introduced 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 Refinancing Notes. The matters described above and any other changes to the regulation or regulatory treatment of the Refinancing 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 Refinancing Notes in the secondary market.

3.2 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 institutions for occupational retirement, credit institutions, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings and funds under the Undertakings for Collective Investment in Transferable Securities (Directive 2001/107/EU and 2001/108/EC). Such requirements as they apply to credit institutions and investment firms (pursuant to the CRR Retention Requirements), authorised alternative investment fund managers (pursuant to the AIFMD Retention Requirements) and insurance and re-insurance undertakings (pursuant to the Solvency II Retention Requirements) are currently in force. Amongst other things, such requirements restrict a relevant investor from investing in securitisations unless (i) that investor is able to demonstrate that it has undertaken certain due diligence in respect of various matters including its investment position, the underlying assets and (in the case of certain types of investors) the relevant sponsor, original lender or originator and (ii) the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the investor that it will retain, on an on-going basis, a net economic interest of not less than 5 per cent. in respect of certain specified credit risk tranches or 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 punitive capital charge on the Notes acquired by the relevant investor and could have a negative impact on the price and liquidity of the Notes in the secondary market. Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear.

The risk retention and due diligence requirements described above apply, or are expected to apply, in respect of the Refinancing 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 Refinancing Notes. With respect to the commitment of BGCF to retain a material net economic interest in the securitisation, please see the summary set out in the section of the 2016 Offering Circular "*Description of BGCF and Retention Requirements*".

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 Initial Purchaser, the Collateral Manager, BGCF, 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 Refinancing Notes, BGCF (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. Without limiting the foregoing, investors should be aware that at this time, the EU authorities have published only limited binding guidance relating to the satisfaction of the CRR Retention Requirements by an institution similar to BGCF including in the context of a transaction involving a separate collateral manager. Furthermore, any relevant regulator's views with regard to the CRR Retention Requirements may not be based exclusively on technical standards, guidance or other information known at this time.

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

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.

At this time, the legislative proposals are in draft form and they remain subject to finalisation and subsequent adoption by the European Council of Ministers and the European Parliament. It is not clear whether, and in what form, the STS Regulation (and any corresponding technical standards) will be adopted and/or when any such adoption may occur. In particular, the proposed restriction in relation to originators may be adopted in a different and/or more restrictive form to that proposed by the European Commission (including in a manner which imposes

jurisdictional limits, as to which we refer you to the risk factor entitled "*UK Referendum on Membership of the European Union*") and/or other changes to the EU risk retention requirements (including to the technical standards) applicable to securitisations such as this transaction and any affected investors may be made through the political negotiation process and adopted. It should be noted that the compliance position under any adopted and potentially revised requirements of transactions entered into, and of activities undertaken by a party (including an investor), prior to (and, in certain circumstances, on and after) adoption is uncertain at this time. While certain provisions in the legislative proposals suggest that transactions issued prior to the application date of the corresponding regulation would not be subject to the new EU retention requirements, there can be no assurances as to whether the transactions described herein and any investors in the Notes will be affected, if at all, by any change which may be adopted in any final law or regulation (including any regulatory technical standards) relating to the EU Retention Requirements.

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

The EU Retention Requirements and any other changes in the law or regulation, the interpretation or application of any 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 Retention Requirements, or the interpretation or application thereof, will not change (whether as a result of the legislative proposals put forward by the European Commission or otherwise), and, if any such change is effected, whether such change would affect the regulatory position of current or future investors in the Notes. BGCF 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 EU Retention Requirements or in the interpretation thereof.

3.3 U.S. Risk Retention

Section 941 of the Dodd-Frank Act amended the Exchange Act to generally require the "securitizer" of a "securitization transaction" to retain at least 5 per cent. of the "credit risk" of "securitized assets," as such terms are defined for purposes of that statute, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. Final rules implementing the statute (the "**U.S. Risk Retention Rules**") came into effect on 24 December 2016 with respect to CLOs. The U.S. Risk Retention Rules provide that the securitizer of an asset backed securitization (including a CLO) is its sponsor, and the regulators have provided guidance that the sponsor of a CLO is its collateral manager. However, on February 9, 2018, a three-judge panel (the "**Panel**") of the United States Court of Appeals for the District of Columbia held, in The Loan Syndications and Trading Association v. Securities and Exchange Commission and Board of Governors of the Federal Reserve System, No. 1:16-cv-0065 (the "**LSTA Decision**", that collateral managers of "open market CLOs" (described in the LSTA Decision as CLOs where assets are acquired from "arms-length negotiations and trading on an open market") are not "securitizers" or "sponsors" under Section 941 of the Dodd-Frank Act and, therefore, are not subject to risk retention and do not have to comply with the U.S. Risk Retention Rules. The Panel's opinion in the LSTA Decision became effective on April 5, 2018, when the district court entered judgment following the issuance of the appellate mandate on April 3, 2018 (the "**Mandate**") in respect thereof. The Securities and Exchange Commission (the "**SEC**")) and the Board of Governors of the Federal Reserve System will have until May 10, 2018 to petition the United States Supreme Court for review of the LSTA Decision. If such petition is granted by the United States Supreme Court, the United States Supreme Court would have the authority to stay the Mandate and to reinstate the application of the U.S. Risk Retention Rules to "open market CLOs" with retroactive effect. However, it is currently uncertain as to whether this transaction will constitute an "open-market CLO" as described in the LSTA Decision (including as a result of the BGCF's activities to comply with the EU retention and due diligence requirements as described under '*Description of BGCF and the Retention Requirements*'). The U.S. Risk Retention Rules provide for certain exemptions from the risk retention obligation that they generally impose.

Accordingly, each of BGCF and the Collateral Manager has informed the Issuer that it does not intend to retain at least 5 per cent. of the credit risk of the Issuer, but rather intends to rely on an exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued), as determined by fair value under U.S. GAAP, of all classes of securities issued in the securitization transaction are sold or transferred to, or held by, U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules); (3) neither the sponsor nor the issuer is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

Each of BGCF and the Collateral Manager has advised the Issuer that it has not acquired, and it does not intend to acquire more than 25 per cent. of the assets from an affiliate or branch of BGCF or the Collateral Manager or the Issuer that is organised or located in the United States so long as the U.S. Risk Retention Rules apply to a "securitizer" with respect to the Notes.

The Refinancing Notes provide that they may not be purchased by U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Offering Circular as Risk Retention U.S. Persons) in the Offering unless such limitation is waived by BGCF or the Collateral Manager. Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S. The definition of U.S. person in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to clauses (ii) and (viii)(b), which are different than comparable provisions from Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, U.S. person means any of the following:

(i) Any natural person resident in the United States;

(ii) Any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States;[1]

(iii) Any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);

(iv) Any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);

(v) Any agency or branch of a foreign entity located in the United States;

(vi) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);

(vii) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and

(viii) Any partnership, corporation, limited liability company, or other organisation or entity if:

(a) Organised or incorporated under the laws of any foreign jurisdiction; and

(b) Formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act;[2]

[1] The comparable provision from Regulation S is "(ii) any partnership or corporation organised or incorporated under the laws of the United States."

Each of BGCF and the Collateral Manager has advised the Issuer that it will not provide a waiver ("**U.S. Risk Retention Waiver**") to any investor if such investor's purchase would result in more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued), as determined by fair value under U.S. GAAP, of all Classes of Refinancing Notes to be sold or transferred to, or held by, Risk Retention U.S. Persons on the Issue Date. Consequently, the Refinancing Notes sold pursuant to this Offering may not be purchased by any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk Retention Waiver from BGCF or the Collateral Manager. Each holder of a Refinancing Note or a beneficial interest therein acquired in the initial syndication of the Refinancing Notes, by its acquisition of a Refinancing Note or a beneficial interest in a Refinancing Note, will be deemed to represent to the Issuer, the Trustee, the BGCF, Collateral Manager and the Initial Purchaser that it (1) either (a) is not a Risk Retention U.S. Person and is not purchasing Refinancing Notes for the account or benefit of a Risk Retention U.S. Person or (b) it has received a U.S. Risk Retention Waiver from BGCF or the Collateral Manager, and (2) is not acquiring such Refinancing Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Refinancing Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section __.20 of the U.S. Risk Retention Rules described in "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention* "). See "*Plan of Distribution*" and "*Transfer Restrictions*".

BGCF, the Collateral Manager, the Issuer and the Initial Purchaser have agreed that none of the Initial Purchaser or any person who controls it or any director, officer, employee, agent or Affiliate of the Initial Purchaser shall have any responsibility for determining the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in Section __.20 of the U.S. Risk Retention Rules, and none of the Initial Purchaser or any person who controls it or any director, officer, employee, agent or Affiliate of the Initial Purchaser accepts any liability or responsibility whatsoever for any such determination.

There can be no assurance that the exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available to BGCF and the Collateral Manager. In particular, BGCF and the Collateral Manager may not be successful in limiting investment by Risk Retention U.S. Persons to no more than 10 per cent. This may result from misidentification of Risk Retention U.S. Person investors as non-Risk Retention U.S. Person investors, or may result from market movements or other matters that affect the calculation of the 10% value on the Issue Date.

Failure on the part of BGCF or the Collateral Manager to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action against BGCF or the Collateral Manager which may adversely affect the Notes and the ability of the Collateral Manager to perform its obligations under the Collateral Management and Administration Agreement. Furthermore, the impact of the U.S. Risk Retention Rules on the loan securitisation market and the leveraged loan market generally is uncertain, and a failure by BGCF or the Collateral Manager to comply with the U.S. Risk Retention Rules could negatively affect the value and secondary market liquidity of the Notes.

In addition, after the Refinancing Date, the U.S. Risk Retention Rules may have adverse effects on the Issuer and/or the holders of the Refinancing Notes. Unless the exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions or another exemption is available to BGCF and the Collateral Manager, the U.S. Risk Retention Rules would apply to any additional notes offered and sold by the Issuer after the Refinancing Date or any Refinancing. In addition, the U.S. Securities and Exchange Commission (the "**SEC**") has indicated in contexts separate from the U.S. Risk Retention Rules that an "offer" and "sale" of securities may arise when amendments to securities are so material as to require holders to make a new "investment decision" with respect to such securities. Thus, if the SEC were to take a similar position with respect to the U.S. Risk Retention Rules, they could apply to future material amendments to the terms of the Refinancing Notes, to the extent such amendments require investors to make a new investment decision with respect to the Notes. As noted above, neither BGCF or the Collateral Manager intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of

[2] The comparable provision from Regulation S "(vii)(B) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in 17 CFR 230.501(a)) who are not natural persons, estates or trusts."

compliance with the U.S. Risk Retention Rules and there can be no assurance that the exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions or any other exemption will be available in connection with any such additional issuance, Refinancing or amendment occurring after the Refinancing Date. As a result, the U.S. Risk Retention Rules may adversely affect the Issuer (and the performance, market value or liquidity of the Refinancing Notes) if the Issuer is unable to undertake any such additional issuance, Refinancing or amendment. Furthermore, no assurance can be given as to whether the U.S. Risk Retention Rules would have any future material adverse effect on the business, financial condition or prospects of BGCF, the Collateral Manager or the Issuer or on the market value or liquidity of the Refinancing Notes.

3.4 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*" in the 2016 Offering Circular), 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 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 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", 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.

The process for implementing the clearing obligation is under way but uncertainties about the scope and timing remain, especially in the longer term. The margin posting requirement commenced on 1 March 2017. 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.

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.

The Conditions of the Refinancing 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 Refinancing Notes which the Issuer certifies are required to comply with the requirements of EMIR which may become applicable in the future.

It should also be noted that certain amendments to EMIR are contemplated. In particular, whilst the STS Regulation contemplates that OTC derivative contracts entered into by securitisation special purpose vehicles similar to the Issuer should not be subject to the clearing obligation provided that certain conditions are met, a proposal published by the European Commission on 4 May 2017 to amend EMIR, suggests that securitisation special purpose vehicles similar to the Issuer should be reclassified as financial counterparties for the purposes of EMIR. At this time, the extent to which such proposals will be reflected in the final STS Regulation or an amended version of EMIR and the timeline of any applicable changes remain unclear. In addition, any grandfathering provisions regulating the compliance position of swap transactions entered into prior to adoption of any proposed amendments to EMIR is uncertain. No assurances can be given as to the status of the Issuer following any proposed amendments to EMIR which could lead to some or all of the potentially adverse consequences outlined above. 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 Refinancing Notes.

3.5 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 the National Futures Association ("**NFA**") unless an exemption from registration is available. Based on CFTC interpretive guidance, 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 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 Refinancing 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 (the "**CFTC Regulations**"), as would be the case for a registered CPO.

Further, the conditions of such exemption may constrain the extent to which the Issuer may be able to enter into swap transactions. In particular, the limits imposed by such exemptions may prevent the Issuer from entering into a Hedge Transaction that the Collateral Manager believes would be advisable or result in the Issuer incurring financial risks that would have been hedged pursuant to swap transactions absent such limits. In addition, the costs of obtaining and maintaining such exemption will be passed on to the Issuer.

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 Refinancing 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.

3.6 Other CFTC Regulations

Pursuant to the Dodd-Frank Act, the Commodity Futures Trading Commission ("CFTC") has promulgated a range of regulatory requirements (the "CFTC Regulations") that may affect the pricing, terms and compliance costs associated with the entry into any Hedge Transaction by the Issuer and the availability of such Hedge Transactions. Some or all of the Hedge Transactions that the Issuer may enter into may be affected by (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, (iv) reporting obligations and other matters. 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 promulgated by the CFTC or other relevant U.S. regulators requiring the posting of variation margin by entities such as the Issuer (insofar as it enters into Hedge Transactions with any Hedge Counterparty that is also subject to this requirement) went into effect in the United States, the European Union and other jurisdictions on 1 March 2017. While transactions existing prior to that date are not subject to these variation margin posting 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 U.S. regulators in other contexts. The Trust Deed does not permit the Issuer to post variation margin. Accordingly, the application of U.S. regulations to a Hedge Transaction or a proposed Hedge Transaction could have a material, adverse effect on the Issuer's ability to hedge its interest or currency rate exposure, on the cost of such hedging or have other material adverse effects on the Issuer or the Noteholders.

3.7 Examination by the SEC

Recently the SEC has focused on issues related to private equity firms. More specifically, the SEC has indicated that its list of examination priorities includes, among other things, private equity firms' collection of fees and allocation of expenses, their marketing and valuation practices, allocation of investment opportunities and other conflicts of interests. The Collateral Manager and its Affiliates are regularly subject to requests for information and informal or formal investigations by the SEC and other regulatory authorities, with which they routinely cooperate. In the current environment, even historical practices that have been previously examined by regulators are being revisited. While it is difficult to predict what impact, if any, the foregoing may have, there can be no assurance that any of the foregoing would not have a material adverse effect on the ability of the Collateral Manager to perform its duties under the Transaction Documents. Even if an investigation or proceedings did not result in a sanction or the sanctions imposed against the Collateral Manager or its personnel by a regulator were small in monetary amount, the adverse publicity relating to the investigation, proceedings or imposition of these sanctions could have an adverse effect on the value of the Refinancing Notes.

4. RELATING TO THE REFINANCING NOTES

4.1 Optional Redemption

Reference is made to the section "*Risk Factors – Relating to the Notes - The Notes are subject to Optional Redemption in whole or in part by Class*" in the 2016 Offering Circular. Pursuant to the Conditions, the Rated Notes may not be redeemed in whole from Refinancing Proceeds pursuant to Condition 7(b)(i) (*Optional Redemption in*

Whole – Subordinated Noteholders) during the period expiring on 15 April 2019. In addition, the Class A-1 Notes, the Class A-2 Notes, the Class C Notes, the Class D Notes and the Class E Notes may not be redeemed in part from Refinancing Proceeds pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*). See Condition 7(b) (*Optional Redemption*).

4.2 Limited Liquidity and Restrictions on Transfer

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

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

The SEC adopted Rule 17g-10 to the Exchange Act on 27 August 2014. Rule 17g-10 applies in connection with the performance of "due diligence services" for rated asset-backed securities on or after 15 June 2015. Under Rule 17g-10, a provider of third-party due diligence services must provide to each nationally recognised statistical rating organisation that is rating the applicable transaction, a written certification in a prescribed form (which obligation may be satisfied if the Issuer posts such certification in the required form to the Rule 17g-5 website maintained in connection with the transaction). If the Issuer or any third party that provides due diligence services to the Issuer does not comply with its obligations under Rule 17g-10, the Rating Agencies may withdraw (or fail to confirm) their ratings of the Refinancing Notes. In such case, the price or transferability of the Refinancing Notes (and any beneficial owner of Refinancing Notes that relies on ratings of securities for regulatory or other compliance purposes) may be adversely affected. No assurance can be given as to whether any certification will be given by the Issuer or any applicable third party service provider to the Rating Agencies in circumstances where such certification is deemed to be required under Rule 17g-10.

4.4 Average Life and Prepayment Considerations

Investors should note that pursuant to the Supplemental Trust Deed, the Weighted Average Life Test will be amended. The amendment to the "Weighted Average Life Test" may affect the average lives of the Notes. See "*Risk Factors – Relating to the Notes – Average Life and Prepayment Considerations*" and "*The Portfolio – Collateral Quality Tests – The Weighted Average Life Test*", in each case in the 2016 Offering Circular.

4.5 Resolutions, Amendments and Waivers

Reference is made to the section "*Risk Factors – Relating to the Notes - Resolutions, Amendments and Waivers*" in the 2016 Offering Circular. Certain amendments and modifications (x) requiring the passing of Extraordinary and Ordinary Resolutions in accordance with Condition 14(b)(vi) (*Decisions and Meetings of Noteholders*) and 14(b)(vii) (*Decisions and Meetings of Noteholders*) or (y) otherwise made in accordance with Condition 14(c) (*Modification and Waiver*), require the consent of the Collateral Manager. Because the Collateral Manager may not be able to confirm reliance on the exemption to the U.S. Risk Retention Rules, it may not be able to provide its consent for the purposes of these Conditions.

In addition, potential investors should note that the Issuer may be prevented from making certain amendments or modifications which would otherwise be beneficial to the transaction due to the requirements set out in Condition 14(c) (*Modification and Waiver*) to obtain the consent of the Controlling Class (acting by Ordinary Resolution).

4.6 U.S. Tax Characterisation of Refinancing Notes

Upon the issuance of the Refinancing Notes, Allen & Overy LLP will deliver an opinion generally to the effect that under current law, assuming compliance with the Transaction Documents, and based on certain assumptions and

factual representations made by the Issuer and/or the Collateral Manager, the Class A-1 Notes, Class A-2 Notes, Class B Notes and Class C Notes will, and the Class D Notes should be treated as debt of the Issuer for U.S. federal income tax purposes. No opinion will be given in respect of the Class E Notes, but the Issuer intends to treat the Class E Notes as debt of the Issuer for U.S. federal income tax purposes. The U.S. federal income tax treatment of the Class D Notes and the Class E Notes is not entirely clear. The Issuer intends to treat the Refinancing Notes (including the Class D Notes and the Class E Notes) as debt for U.S. federal income tax purposes. Holders of the Rated Notes will be required to treat such Notes as debt for U.S. federal income tax purposes. If the Class D Notes or the Class E Notes (or any other Class of Rated Notes) were recharacterised by the IRS or by the courts as equity for U.S. federal income tax purposes, a U.S. holder generally would be treated as a U.S. holder of equity in a PFIC who did not make a qualified electing fund election and would be subject to the same treatment as a U.S. holder of Subordinated Notes that did not make a qualified electing fund election. Potential U.S. investors in the Class D Notes and the Class E Notes should consult with their own tax advisors about the potential recharacterisation of the Class D Notes and the Class E Notes, the consequences of the Issuer's passive foreign investment company status, the Issuer's potential status as a controlled foreign corporation and the tax consequences thereof.

4.7 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 issuers (a) whose outstanding securities are beneficially owned only by "qualified purchasers" or "knowledgeable employees" (within the meaning given to such terms in the Investment Company Act and the regulations of the SEC thereunder) and certain transferees thereof identified in Rules 3c-5 and 3c-6 under the Investment Company Act and (b) which do not make a public offering of their securities in the United States.

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

Each initial purchaser of an interest in a Rule 144A Note and each transferee of an interest in a Rule 144A Note will be deemed to represent at the time of purchase that, amongst other things, the purchaser is a QIB/QP. The Trust Deed will provide that if, notwithstanding the restrictions on transfer contained therein, the Issuer determines that any holder of an interest in a Rule 144A Note (1) is a U.S. Person and (2) is not a QIB/QP at the time it acquires an interest in a Rule 144A Note (any such person, a "**Non Permitted Noteholder**"), the Issuer shall, promptly after discovery that such person is a Non Permitted Noteholder by the Issuer, send notice to such Non Permitted Noteholder demanding that such Non Permitted Noteholder transfer its interest to a person that is not a Non Permitted Noteholder within 30 days of the date of such notice. If such Non Permitted Noteholder fails to effect the transfer required within such 30 day period, (a) upon direction from the Issuer or the Collateral Manager on its behalf, shall cause such beneficial interest to be transferred in a commercially reasonable sale (conducted by the Issuer or the Collateral Manager on its behalf 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) to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

5. RELATING TO THE COLLATERAL

The Initial Purchaser takes no responsibility for, and has no obligations in respect of, the Issuer and will have no obligation to monitor the performance of the Portfolio or the actions of the 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 owns Notes, they will

have no responsibility to consider the interests of any other owner of Refinancing Notes with respect to actions they take or refrain from taking in such capacity.

5.1 Investing in Cov-Lite Loans involves certain risks

The Portfolio Profile Tests provide that not more than 30.0 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 greater 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 Loans. 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.

References to the heading of this risk factor should also be updated and the definition of Cov-Lite Obligation should be deleted along with the requirement for the Issuer to include information as to whether an obligation is a Cov-Lite Obligation in the monthly report.

6. CONFLICTS OF INTEREST

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.

Certain Conflicts of Interest Involving or Relating to the Collateral Manager, BGCF and their Affiliates

The following briefly summarises various potential and actual conflicts of interest that may arise from the overall advisory, investment, capital markets, lending and other activities of Blackstone / GSO Debt Funds Management Europe Limited ("**DFME**") in its capacity as the Collateral Manager, BGCF in its capacity as Retention Holder, each of their respective 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 and BGCF include their respective Affiliates unless otherwise specified or the context otherwise requires.

Broad and Wide-Ranging Activities. The Blackstone Group L.P. and its Affiliates (collectively, "**The Blackstone Group**") engages in a broad spectrum of activities. In the ordinary course of its business activities, The Blackstone Group may engage in activities where the interests of certain divisions of The Blackstone Group or the interests of their clients may conflict with the interests of the holders. Other present and future activities of The Blackstone Group 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.

The Incentive Management Fee May Create Different Incentives for the Collateral Manager. 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 payment of the Incentive Collateral Management Fee is dependent to some degree on the yield earned on the Collateral Obligations. The manner in which the Incentive Management Fee is determined could create a further incentive for the Collateral Manager to make more speculative investments in the Collateral Obligations than the Issuer would otherwise make in order to manage the Issuer's investments in a manner as to seek to maximise the yield on the Collateral Obligations relative to investments of higher creditworthiness. Managing the portfolio of Collateral Obligations with the objective of increasing the yield on such Collateral Obligations, even though the Collateral Manager is constrained by the

various investment restrictions could result in an increase in defaults or volatility and could contribute to a decline in the aggregate market value of the Collateral Obligations.

Other Blackstone and DFME Clients; Allocation of Investment Opportunities. Certain inherent conflicts of interest arise from the fact that the GSO Affiliates provide investment management services and other capital market, investment banking and advisory services both to the Issuer and other clients, including other collateralised debt obligation vehicles, other investment funds, and any other investment vehicles that the GSO Affiliates may establish from time to time (the "**Other GSO 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) (collectively, the "**GSO Managed Accounts**")) and proprietary accounts managed by the GSO Affiliates in which the Issuer will not have an interest (such other clients, funds and accounts, collectively the "**Other GSO Accounts**"). In addition, The Blackstone Group provide investment management services to other clients, including other investment funds, and any other investment vehicles that The Blackstone Group may establish from time to time (such funds, other than the Other GSO Funds, the "**Other Blackstone Funds**"), client accounts, and proprietary accounts in which the Issuer will not have an interest (such other clients, funds and accounts, other than the Other GSO Accounts, collectively, the "**Other Blackstone Accounts**" and, together with the Other GSO Accounts, the "**Other Accounts**"). The respective investment programs of the Issuer and the Other Accounts may or may not be substantially similar. The GSO Affiliates and The Blackstone Group may give advice and recommend obligations to Other Accounts which may differ from advice given to, or obligations recommended or bought for, the Issuer, even though their investment objectives may be the same or similar to those of the Issuer.

Whilst BGCF is self-managed, BGCF is provided certain service support by DFME. Given that the Issuer is managed by a GSO Affiliate and BGCF is provided with certain service support by the same GSO Affiliate, certain conflicts of interest may arise given that GSO Affiliates will be participating on both the purchase and the sale side of transactions involving the purchase of Collateral Obligations by the Issuer from BGCF. In addition, a portion of the Collateral Principal Amount will consist of Collateral Obligations and Eligible Investments, pursuant to and as further described in the definition of Originator Requirement (solely in accordance with the definition thereof and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition) which are acquired from BGCF and BGCF may acquire certain of these assets from Other GSO Funds. Furthermore, in consideration of BGCF's role in establishing the transaction described herein, the Collateral Manager will rebate to BGCF up to 20.0 per cent. of the Collateral Management Fees (excluding the Incentive Collateral Management Fee) that the Collateral Manager earns in its capacity as collateral manager to the Issuer. In addition, the Initial Purchaser may pay a portion of its fees in respect of the Notes to BGCF.

While the Collateral Manager will seek to manage potential conflicts of interest in good faith, the portfolio strategies employed by The Blackstone Group in managing its respective Other Accounts could conflict with the transactions and strategies employed by the Collateral Manager in managing the Issuer and may affect the prices and availability of the obligations 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. It is the policy of the GSO Affiliates and The Blackstone Group to generally share appropriate investment opportunities (including purchase and sale opportunities) with the Other Accounts. The Collateral Manager is committed to transacting in securities and loans in a manner that is consistent with the investment objectives of its clients, and to allocating investment opportunities (including purchase and sale opportunities) among its clients on a fair and equitable basis. In allocating investment opportunities, the Collateral Manager determines which clients' investment mandates are consistent with the investment opportunity, taking into account risk/return profile, investment guidelines and objectives, and liquidity objectives. As a general matter, investment opportunities will be allocated pro rata based on their respective targeted acquisition size (which may be based upon available capacity or, in some cases, a specified maximum target size of such client) or targeted sale size (which is generally based upon the position size held by selling clients), in a manner that takes into account the applicable factors listed below. In addition, the Collateral Manager complies with specific allocation procedures set forth in the governing documents for its clients and described during the marketing process. While no client will be favoured over any other client, in allocating investment opportunities certain clients may have priority over other clients consistent with disclosures made to the applicable investors. Consistent with the foregoing, the Collateral Manager will generally allocate investment opportunities pursuant to certain allocation methodologies as appropriate depending on the nature of the investment. Notwithstanding the foregoing, investment opportunities may be allocated in a manner that differs from such methodologies but is otherwise fair and equitable to clients, taken as a whole (including, in certain circumstances, a complete opt-out of the allocation). In instances

where the clients target different strategies but overlap with respect to certain investment opportunities, the Collateral Manager may determine that a particular investment most appropriately fits within the portfolio and strategy focus of the relevant Other Account and may allocate the investment to such Other Account. Any such allocations must be documented in accordance with the Collateral Manager's procedures and undertaken with reference to one or more of the following considerations: (a) the risk- return and target-return profile of the investment opportunity relative to the Issuer's and the Other Accounts' current risk profiles; (b) the Issuer's or the Other Accounts' investment guidelines, restrictions, terms and objectives, including whether such objectives are considered solely in light of the specific investment under consideration or in the context of the respective portfolio's overall holdings; (c) the need to re-size risk in the Issuer's or Other Accounts' portfolios, including the potential for the proposed investment to create an industry, sector or issuer imbalance among the Issuer's and the Other Accounts' portfolios and taking into account any existing non-pro rata investment positions in such portfolios; (d) liquidity considerations of the Issuer and Other Accounts, including during a ramp-up or wind-down of the Issuer or Other Account, proximity to the end of the Issuer's or Other Accounts' specified term, any redemption/withdrawal requests, anticipated future contributions and available cash; (e) tax consequences; (f) regulatory or contractual restrictions or consequences; (g) operational and/or reporting considerations; (h) avoiding de minimis or odd lot allocations; (i) availability and degree of leverage and any requirements or other terms of any existing leverage facilities; (j) the Issuer's or other Accounts' investment focus on a classification attributable to an investment or obligor, including, without limitation, investment strategy, geography, industry or business sector; (k) the nature and extent of involvement in the transaction on the part of the respective teams of investment professionals dedicated to the Issuer or an Other Account; (l) the management of any actual or potential conflict of interest; (m) whether investments are made available to the Collateral Manager by counterparties pursuant to negotiated trading platforms (e.g. ISDA contracts) which may not be available for the Other Accounts in the absence of such relationships; and (n) any other considerations deemed relevant by the Collateral Manager, BGCF or the applicable investment adviser to an Other Account in good faith. Because of these and other factors, certain Other Accounts may effectively have priority in investment allocation over the BGCF, notwithstanding DFME's and BGCF's policy of *pro rata* allocation.

DFME will not have any obligation to present any investment opportunity to the Issuer or an Other Account if DFME determines in good faith that such opportunity should not be presented to the Issuer or such Other Account for any one or a combination of the reasons specified above, or if DFME is otherwise restricted from presenting such investment opportunity to the Issuer or such Other Account. Moreover, with respect to DFME's ability to allocate investment opportunities, including where such opportunities are within the common objectives and guidelines of the Issuer and one or more Other Accounts (which allocations are to be made on a basis that DFME believes in good faith to be fair and reasonable), DFME and The Blackstone Group have established general guidelines for determining how such allocations are to be made, which, among other things, set forth priorities and presumptions regarding what constitutes "debt" investments, ranges of rates of returns for defining "core" or "core+" investments, presumptions regarding allocation for certain types of investments (e.g. distressed investments) and other matters. The application of those guidelines may result in the Issuer or an Other Account not participating (and/or not participating to the same extent) in certain investment opportunities in which it would have otherwise participated had the related allocations been determined without regard to such guidelines and/or based only on the circumstances of those particular investments.

DFME, in its capacity as the Collateral Manager, and its Affiliates may from time to time incur expenses jointly on behalf of the Issuer, other accounts managed by DFME and one or more subsequent entities established or advised by DFME. Although DFME and 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.

Orders may be combined for the Issuer and all other participating Other Accounts, and if any order is not filled at the same price, they may be allocated on an average price basis. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, securities may be allocated among the different accounts on a basis that DFME or its affiliates consider equitable. DFME, in its capacity as Collateral Manager, is required to use commercially reasonable efforts to obtain the best prices and execution for all orders placed with respect to the Assets, considering all circumstances that are relevant in its reasonable determination. Subject to the objective of obtaining best prices and execution, DFME may take into consideration research and other brokerage services furnished to it or its Affiliates by brokers and dealers that are not Affiliates of DFME. Such

services may be used by The Blackstone Group and Other Accounts in connection with other advisory activities or investment operations. DFME, in its capacity as Collateral Manager, may aggregate sales and purchase orders of securities placed with respect to the Assets with similar orders being made simultaneously for other accounts managed by DFME or with accounts of the Affiliates of DFME if in DFME's reasonable judgment such aggregation will result in an overall economic benefit to the Issuer, taking into consideration the advantageous selling or purchase price, brokerage commission and other expenses.

Neither The Blackstone Group nor the Other Accounts are under any obligation to offer investment opportunities of which they become aware to the Issuer or to share with the Issuer or to inform the Issuer of any such transaction or any benefit received by them from any such transaction or to inform the Issuer of any investments before offering any investments to other funds or accounts that DFME and/or its Affiliates manage or advise. Furthermore, Affiliates of DFME may make an investment on their own behalf or on behalf of their clients without offering the opportunity to add such investment, or adding such investment, to the Collateral Obligations. Affirmative obligations may exist or may arise in the future, whereby Affiliates of DFME may be obligated to offer certain investments to funds or accounts that such Affiliates manage or advise before or without DFME offering those investments to the Issuer. DFME, in its capacity as the Collateral Manager, may invest in Collateral Obligations that it or any of its clients has declined to invest in for its own account, the account of any of its Affiliates or the account of its other clients.

All the different bases for determination on allocations as described above may result in the Issuer failing to achieve the return from its portfolio that it would have achieved had a particular asset or assets been allocated to them and this may have a material adverse effect on the general performance of the Issuer and thus the return to investors.

DFME may invest in or, in its capacity as Collateral Manager, provide advice in respect of, assets on behalf of the Issuer or BGCF (as applicable) that it or any of its clients has declined to invest in for its own account, the account of any of its affiliates or the account of its other clients.

Other Affiliate Transactions and Investments in Different Levels of Capital Structure. The Issuer may invest in securities of the same issuers as Other Accounts or other investment vehicles, accounts and clients of the firm, the Collateral Manager and GSO Capital Partners LP. 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, subject to the limitations of the Investment Company Act. 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 holds securities that are different (including with respect to their relative seniority) than those held by an Other Account, the Collateral Manager and its affiliates may be presented with decisions involving circumstances where the interests of such Other Accounts are in conflict with those of the Issuer. Furthermore, it is possible the Issuer's interest may be subordinated or otherwise adversely affected by virtue of such Other Account's involvement and actions relating to its investment. For example, conflicts could arise where the Issuer lends funds to an issuer while an Other Account invests in equity securities of such issuer. In this circumstance, for example, if such issuer 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 issuer should take. In addition, purchases or sales of securities for the account of the Issuer (particularly marketable securities) will be bunched or aggregated with orders for Other Accounts, including other funds. It is frequently not possible to receive the same price or execution on the entire volume of securities sold, and the various prices may be averaged, which may be disadvantageous to the Issuer. Further conflicts could arise after the Issuer and other affiliates have made their respective initial 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 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. DFME may in its discretion take steps to reduce the potential for adversity between the Issuer and the Other Accounts, including causing the Issuer and/or such Other Accounts to take certain actions that, in the absence of such conflict, it would not take. In addition, there may be circumstances where DFME agrees to implement certain procedures to ameliorate conflicts of interest that may involve a forbearance of rights relating to the Issuer or Other Accounts, such as where DFME may cause Other Accounts to decline to exercise certain control- and/or foreclosure-related rights with respect to a portfolio company.

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. There can be no assurance that any conflict will be resolved in favour of the Issuer and in some cases, a decision by DFME to take any particular action could have the effect of benefiting an Other Account (and, incidentally, may also have the effect of benefiting DFME) and therefore may not have been in the best interests of, and may be adverse to, the Issuer. There can be no assurance that the return on the Issuer's investment will be equivalent to or better than the returns obtained by the Other Accounts participating in the transaction. The Issuer will not receive any benefit from fees paid to any affiliate of the Collateral Manager from an issuer in which an Other Account also has an interest.

The Collateral Obligations may include obligations issued by entities in which The Blackstone Group or Other Accounts have made investments, obligations that The Blackstone Group has assisted in structuring but in which they have or have not chosen to invest and obligations in respect of which The Blackstone Group or Other Accounts (x) participated in the original lending group and/or acted or act as an agent or (y) were otherwise involved as an underwriter, a syndication or placement agent or in some other capacity. In addition, the Collateral Obligations may include obligations previously held by The Blackstone Group or Other Accounts, and the Issuer may purchase Collateral Obligations from, or sell Collateral Obligations to, The Blackstone Group or one or more Other Accounts subject to the applicable procedures in the Collateral Management and Administration Agreement and the investment guidelines attached thereto, including in the event of a wind-down of the portfolio of Collateral Obligations. Although any such purchase or sale must comply with certain criteria set forth in the Collateral Management and Administration Agreement (including the Tax Guidelines and 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. In addition, The Blackstone Group may receive fees or other compensation (whether in cash or in kind) in connection with any such transaction that will not be shared with the Issuer or otherwise offset the Collateral Management Fees payable to the Collateral Manager.

Moreover, The Blackstone Group and its personnel can be expected to receive certain intangible and/or other benefits, rebates and/or discounts and/or perquisites arising or resulting from their activities on behalf of the Issuer which will not be subject to a management fee offset or otherwise shared with the Issuer and/or Noteholders. For example, airline travel or hotel stays incurred as Administrative Expenses may result in "miles" or "points" or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to The Blackstone Group and/or such personnel (and not the Issuer and/or Noteholders) even though the cost of the underlying service is borne by the Issuer.

Allocation of Personnel DFME and its members, partners, officers, managers and employees will devote as much of their time to the activities of the Issuer or BGCF (as or if applicable) as DFME deems necessary and appropriate, in accordance with the Collateral Management and Administration Agreement and the portfolio service support agreement between DFME and BGCF (the "**Portfolio Service Support Agreement**") (as applicable) and reasonable commercial standards. Subject to the terms of the applicable offering and/or governing documents, DFME, GSO Affiliates and Blackstone Affiliates are expected to form additional investment funds, enter into other investment advisory relationships and engage in other business activities, even though such activities may be in competition with the Issuer and/or may involve substantial time and resources of DFME or BGCF (as applicable). These activities could be viewed as creating a conflict of interest in that the time and effort of the members of DFME and their officers, managers, members and employees will not be devoted exclusively to the business of the Issuer or BGCF (as or if applicable) but will be allocated between the business of the Issuer and the management of the monies of other advisees of DFME and other activities of BGCF (as applicable).

Conflicts Involving Holders. In addition, The Blackstone Group or Other Accounts may from time to time purchase any of the Notes. The Blackstone Group and Other Accounts (other than BGCF in relation to the Retention Notes) will not be required to retain all or any part of the Notes acquired by them. If The Blackstone Group or Other Accounts were to purchase any Notes, DFME may face a conflict of interest in the performance of its duties as the Collateral Manager because of the conflicting interests of the other holders of Notes. In particular, DFME, in its capacity as 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. Furthermore, DFME, in its capacity as the Collateral Manager, acting in its sole discretion

on behalf of the Issuer, will be entitled to designate amounts that would otherwise be treated as Interest Proceeds to be treated as Principal Proceeds and vice versa in certain limited circumstances set forth in the definitions of "Interest Proceeds" and "Principal Proceeds." There can be no assurance that DFME, in its capacity as the Collateral Manager, will not make such designations in a manner that seeks to maximise the yield on the Notes held by it or a GSO Affiliate while increasing the probability of reductions or delays in payments on the more senior Notes.

In addition, DFME, in its capacity as Collateral Manager or on behalf of the Issuer, may enter into agreements with one or more holders (which may include BGCF), pursuant to which DFME may agree, subject to its obligations under the Collateral Management and Administration Agreement and applicable law, to take actions with respect to such holder or holders that it will not take with respect to all of the holders. Such agreements may provide that such holders will be entitled to receive a portion of the Management Fees payable on each Payment Date during the term of the transaction. On or around the Closing Date, and in order to induce the Retention Holder to purchase and retain the Retention Interest as long as required by, and in compliance with, the Risk Retention Rules, the Collateral Manager is expected to enter into an agreement or arrangement with the Retention Holder pursuant to which the Retention Holder will receive a portion of the Management Fees payable on each Payment Date during the term of the transaction. The Collateral Manager may also enter into similar fee-sharing arrangements with any other holders or any other third parties from time to time on or after the Closing Date. The performance and incentives of the Collateral Manager may be negatively impacted by any such fee rebate arrangements. Please refer to earlier disclosure on any such fee-sharing in this section.

Investors should note that BGCF has agreed with the Initial Purchaser to acquire a proportion of the Subordinated Notes on the Issue Date which will represent a controlling stake in such Class, giving it the ability to control (amongst other things) the passing of any Ordinary Resolutions to effect certain Optional Redemptions pursuant to Condition 7(b) (*Optional Redemption*).

At any given time, the Notes held by The Blackstone Group or Other Accounts will be disregarded and deemed not to be outstanding with respect to a vote to remove the Collateral Manager. However, at any given time the Collateral Manager Affiliates 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 Blackstone Group or Other Accounts hold or otherwise have discretionary voting authority over the requisite percentage of the outstanding principal amount of the Subordinated Notes, the Collateral Manager Affiliates will control certain matters under the Trust Deed and the Collateral Management and Administration Agreement that may affect the performance of the Assets and the return on one or more Classes of Secured Notes, including, without limitation, (i) an Optional Redemption at the direction of the Subordinated Noteholders. The Collateral Manager Affiliates also may control matters related to any Refinancing or the sale of Collateral Obligations following an Optional Redemption. The Collateral Manager or a Collateral Manager Affiliate may be appointed as a successor collateral manager in connection with such Refinancing or such sale of Collateral Obligations to a newly formed collateralised loan obligation vehicle. Such appointment may benefit the Collateral Manager or Collateral Manager Affiliate to the extent that it may continue to: (i) invest or re-invest the Collateral Obligations in the Issuer's portfolio that may otherwise have been liquidated and (ii) receive a fee for managing the Issuer's portfolio for a longer period of time than had those obligations been liquidated. A portion of the Collateral Obligations in the Issuer's portfolio may be sold to such newly formed collateralised obligation vehicle for which the Collateral Manager will act as collateral manager. The price for each such Collateral Obligation sold will be determined in accordance with the Collateral Manager's internal policies and procedures for trades of assets between affiliates.

Debt Financings in connection with Acquisitions and Dispositions The Issuer may from time to time provide financing (1) as part of a third party purchaser's bid for, or acquisition of, a portfolio entity or the underlying assets thereof owned by one or more Other Accounts and/or (2) in connection with a proposed acquisition or investment by one or more Other Accounts or affiliates of an issuer and/or its underlying assets. This generally would include the circumstance where the Issuer is making commitments to provide financing at or prior to the time such third-party purchaser commits to purchase such investments or assets from one or more Other Accounts. The Issuer may also make investments and provide debt financing with respect to issuers in which Other Accounts and/or affiliates hold or propose to acquire an interest. While the terms and conditions of any such arrangements will generally be at arms' length terms negotiated on a case by case basis, the involvement of the Issuer and/or such Other Accounts or affiliates may affect the terms of such transactions or arrangements and/or may otherwise influence the Collateral

Manager's decisions with respect to the management of the Issuer and/or such Other Accounts or the relevant issuer, which may give rise to potential or actual conflicts of interest and which could adversely impact the Issuer.

The Issuer may from time to time dispose of all or a portion of a Collateral Obligation where the firm or one or more Other Accounts is providing financing to repay debt issued to the Issuer. Such involvement may give rise to potential or actual conflicts of interest.

Cross and Principal Transactions. Situations may arise where certain assets held by the Issuer may be transferred to Other Accounts and *vice versa*. A portion of the Collateral Obligations may be loans or other securities purchased from Other Accounts, including, without limitation, collateralised loan obligation vehicles for which the Collateral Manager acted as collateral manager in connection with the redemption of such vehicles. Such transactions will be conducted in accordance with, and subject to the Collateral Manager's policies and procedures. A portion of the Collateral Obligations may be loans or other securities in respect of which The Blackstone Group or Other Accounts participated in the original lending group or that were structured or originated by The Blackstone Group, the GSO Affiliates or the Other GSO Accounts (an "**Affiliate Structured Loan**"). In the case of any transaction between BGCF and the Issuer (provided no Blackstone Affiliate or GSO Affiliate has an ownership interest of 25.0 per cent. or more in BGCF at the time of such transaction), the Collateral Manager may seek consent to such transactions from the Issuer on a quarterly basis, and such consent may occur after the applicable transaction has settled. If the Issuer does not consent to one of more of such transactions, the Collateral Manager shall consult with the Issuer on the appropriate course of action that should be taken with respect to the related Collateral Obligation(s). In all other circumstances, the Issuer will be required to seek the prior consent to the terms of such a purchase or sale of a Affiliate Structured Loan from an Independent Client Representative selected from the list of entities set forth in the definition of "**Independent Client Representative**" that has been appointed by the Issuer as its agent as may be required by Section 206(3) of the Investment Advisers Act. The Independent Client Representative will be authorised by the Issuer to consent or decline to consent, on the Issuer's behalf, to the terms of any transaction or other matter that DFME has determined should be presented to the Issuer for consent or approval where a potential conflict of interest may arise by reason of the involvement of The Blackstone Group, the DFME Affiliates or the Other GSO Accounts such as a purchase or sale of a Collateral Obligation from The Blackstone Group or Other Accounts, including an Affiliate Structured Loan. The Issuer will appoint an Independent Client Representative pursuant to an agreement entered into by and among the Issuer, the Collateral Manager and an Independent Client Representative (an "**Independent Client Representative Agreement**"), and the fees and expenses of the Independent Client Representative payable thereunder will constitute Administrative Expenses. A successor Independent Client Representative may be appointed if proposed by DFME in its capacity as the Collateral Manager and either (i) included in the list of entities set forth in the definition of "Independent Client Representative" or (ii) approved by the Majority of the Subordinated Notes. Each holder will be deemed, by purchasing a Note, to have consented to the procedures described herein with respect to the Independent Client Representative and the board consent process for transactions between BGCF and the Issuer.

The Issuer, pursuant to the Forward Purchase Agreement, purchased Collateral Obligations from BGCF. Such Collateral Obligations include assets purchased by BGCF from third parties and/or one or more collateralised loan obligation vehicles for which the Collateral Manager acted as collateral manager in connection with the redemption of such vehicles. The price for each such Collateral Obligation purchased from any such collateralised loan obligation vehicle was determined in accordance with the Collateral Manager's internal policies and procedures for trades of assets between affiliates.

The Collateral Manager may arrange for the Issuer to acquire Collateral Obligations from, and sell Collateral Obligations to, Blackstone Affiliates, BGCF or Other Accounts from time to time subject to the applicable procedures in the Collateral Management and Administration Agreement.

The level of expenses allocated to the Issuer may have an adverse effect. A high level of expenses may result in a decreased return on the Notes. In each case, the level of expenses may have a material adverse effect on the performance of the Issuer and thus the return to the investors.

The Firm's Policies and Procedures. Specified policies and procedures implemented by the Collateral Manager, BGCF and their Affiliates to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions reduce the synergies across The Blackstone Group's various businesses that the Issuer

expects to draw on for purposes of pursuing attractive investment opportunities. Because The Blackstone Group has many different asset management and other businesses, it is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than that to which it would otherwise be subject if it had just one line of business. In connection with such businesses, The Blackstone Group comes into possession of information that limits its and its Affiliates' ability to engage in potential transactions. The Issuer's activities are constrained as a result of the inability of The Blackstone Group's personnel to use such information. For example, from time to time employees of The Blackstone Group are prohibited by law or contract from sharing information with members of the Collateral Manager's investment teams. Additionally, there will be circumstances in which Affiliates of The Blackstone Group, including the Issuer, will be restricted in their trading activities because Affiliates of DFME and/or The Blackstone Group received certain confidential information available to those individuals or to other parts of The Blackstone Group. If The Blackstone Group is engaged to find buyers or financing sources for potential sellers of assets, the seller may permit a client to participate in such transactions (as a buyer or financing participant), which would raise certain conflicts of interest inherent in such a situation (including as to the negotiation of the purchase price). In addressing these conflicts and regulatory, legal and contractual requirements across its various businesses, The Blackstone Group has implemented certain policies and procedures (e.g. information walls) that may reduce the positive synergies that the Issuer expects the Collateral Manager to utilise for purposes of finding attractive investments. Additionally, The Blackstone Group may limit a client and/or its portfolio companies from engaging in agreements with or related to companies in which any fund of The Blackstone Group has or has considered making an investment or which is otherwise an advisory client of The Blackstone Group and/or from time to time restrict or otherwise limit the ability of the Issuer to make investments in or otherwise engage in businesses or activities competitive with companies or other clients of The Blackstone Group, either as result of contractual restrictions or otherwise. Finally, The Blackstone Group has in the past entered, and is likely in the future to enter, into one or more strategic relationships in certain regions or with respect to certain types of investments that, although possibly 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.

Other Firm Business, Activities and Relationships. As part of its regular business, The Blackstone Group provides a broad range of services other than those provided by the Collateral Manager, including investment banking, underwriting, capital markets syndication and advisory (including underwriting), placement, financial advisory, restructuring and advisory, consulting, asset/property management, mortgage servicing, insurance (including title insurance), monitoring, commitment, syndication, origination, servicing, management consulting and other similar operational and finance matters, healthcare consulting/brokerage, group purchasing, organisational, operational, loan servicing, financing, divestment and other services. In addition, The Blackstone Group may provide services in the future beyond those currently provided. The Issuer and the investors will not receive a benefit from the fees or profits derived from such services. In such a case, a client of The Blackstone Group would typically require The Blackstone Group to act exclusively on its behalf. This request may preclude all of The Blackstone Group clients (including the Issuer) from participating in related transactions that would otherwise be suitable. The Blackstone Group will be under no obligation to decline any such engagements in order to make an investment opportunity available to the Issuer. In connection with its other businesses, The Blackstone Group will likely come into possession of information that limits its ability to engage in potential transactions. The Issuer's activities are expected to be constrained as a result of the inability of the personnel of The Blackstone Group to use such information. For example, employees of The Blackstone Group from time to time are prohibited by law or contract from sharing information with members of the Collateral Manager's investment team that would be relevant to monitoring the Collateral Obligations and other investment decisions. Additionally, there are expected to be circumstances in which one or more of certain individuals associated with The Blackstone Group will be precluded from providing services related to the Issuer's activities because of certain confidential information available to those individuals or to other parts of The Blackstone Group (e.g. trading may be restricted).

The Blackstone Group has long-term relationships with a significant number of corporations and their senior management. In determining whether to invest in a particular transaction on behalf of the Issuer, the Collateral Manager will consider those relationships, and may decline to participate in a transaction as a result of such relationships. The Issuer may also co-invest with clients of The Blackstone Group in particular investment opportunities, and the relationship with such clients could influence the decisions made by the Collateral Manager with respect to such investments. The Issuer may be forced to sell or hold existing Collateral Obligations as a result of various relationships that The Blackstone Group may have or transactions or investments The Blackstone Group

and its affiliates may make or have made. The inability to transact in any security, derivative or loan held by the Issuer could result in significant losses to the Issuer.

The Blackstone Group will from time to time participate in underwriting or lending syndicates with respect to current or potential issuers, or may otherwise be involved in the public offering and/or private placement of debt or equity securities issued by, or loan proceeds borrowed by, such issuers, or otherwise in arranging financing (including loans) for such issuers or advise on such transactions. Such underwritings or engagements may be on a firm commitment basis or may be on an uncommitted "best efforts" basis. There may also be circumstances in which the Issuer commits to purchase any portion of such issuance from the issuer that a broker-dealer of The Blackstone Group intends to syndicate to third parties and, in connection therewith and as a result thereof, The Blackstone Group may receive commissions or other compensation. In certain cases, a broker-dealer of The Blackstone Group will from time to time act as the managing underwriter or a member of the underwriting syndicate and purchase securities from the Issuer or such issuers or advise on such transactions. The Blackstone Group will also from time to time, on behalf of the Issuer or other parties to a transaction involving the Issuer, effect transactions, including transactions in the secondary markets where it will from time to time nonetheless have a potential conflict of interest regarding the Issuer and the other parties to those transactions to the extent it receives commissions or other compensation from the Issuer and/or such other parties. Subject to applicable law, The Blackstone Group will from time to time receive underwriting fees, discounts, placement commissions, lending arrangement and syndication fees (or, in each case, rebates of any such fees, whether in the form of purchase price discounts or otherwise, even in cases where The Blackstone Group or an Other Account is purchasing debt) or other compensation with respect to the foregoing activities, none of which are required to be shared with the Issuer. In addition, the Management Fee generally will not be reduced by such amounts. Therefore, The Blackstone Group will from time to time have a potential conflict of interest regarding the Issuer and the other parties to those transactions to the extent it receives commissions, discounts or such other compensation from such other parties.

Where The Blackstone Group serves as underwriter with respect to an issuer's securities, the Issuer will from time to time be subject to a "lock-up" period following the offering under applicable regulations during which time the Issuer's ability to sell any securities that it continues to hold is restricted. This may prejudice the Issuer's ability to dispose of such securities at an opportune time.

Firm employees, including employees of DFME, are generally permitted to invest in alternative investment funds, real estate funds, hedge funds or other investment vehicles, including potential competitors of the Issuer. The Issuer will not receive any benefit from any such investments.

Additionally, it can be expected that DFME and/or The Blackstone Group will, from time to time, enter into arrangements or strategic relationships with third parties, including other asset managers, financial firms or other businesses or companies, which, among other things, provide for referral or sharing of investment opportunities. It is possible that the Issuer will, along with DFME and/or The Blackstone Group itself, benefit from the existence of those arrangements and/or relationships. It is also possible that investment opportunities that otherwise would be presented to or made by the Issuer would instead be referred (in whole or in part) to such third party. For example, a firm with which DFME and/or The Blackstone Group has entered into a strategic relationship may be afforded with "first-call" rights on a particular category of investment opportunities.

On 1 October 2015 The Blackstone Group spun-off its financial and strategic advisory services, restructuring and reorganisation advisory services, and its Park Hill fund placement businesses and combined these businesses with PJT Partners, an independent financial advisory firm founded by Paul J. Taubman. While the new combined business will operate independently from The Blackstone Group and will not be an affiliate thereof, nevertheless conflicts may arise in connection with transactions between or involving the Issuer and the entities in which it invests on the one hand and the spun-off firm on the other. Specifically, given that the spun-off firm will not be an affiliate of The Blackstone Group, there may be fewer or no restrictions or limitations placed on transactions or relationships engaged in by the new advisory business as compared to the limitations or restrictions that might apply to transactions engaged in by an affiliate of The Blackstone Group. It is expected that there will be substantial overlapping ownership between The Blackstone Group and the spun-off firm for a considerable period of time going forward. Therefore, conflicts of interest in doing transactions involving the spun-off firm will still arise. The pre-existing relationship between The Blackstone Group and its former personnel involved in such financial and strategic advisory services, the overlapping ownership, co-investment and other continuing arrangements, may

influence DFME in deciding to select or recommend such new company to perform such services for the Issuer (the cost of which will generally be borne directly or indirectly by the Issuer). Nonetheless, The Blackstone Group will be free to cause the Issuer to transact with PJT Partners generally without restriction under the applicable governing documents notwithstanding such overlapping interests in, and relationships with, PJT Partners.

Certain Obligors with respect to Collateral Obligations or Equity Securities that are portfolio companies of The Blackstone Group may enter into agreements, transactions or other arrangements with other portfolio companies that are owned, in whole or in part, by The Blackstone Group and/or Other Accounts or with unaffiliated parties that involve fees, commissions and/or servicing payments to Blackstone-affiliated entities, or rebates, discounts or lower rates to The Blackstone Group (including to personnel of The Blackstone Group). For example, certain portfolio companies of The Blackstone Group enter into agreements regarding group procurement (such as the group purchasing organisation), benefits management, purchase of title and/or other insurance policies (which will from time to time be pooled across portfolio companies and discounted due to scale) and other operational, administrative or management related matters from a third-party or an Affiliate of The Blackstone Group, and other similar operational initiatives that result in fees, commissions or similar payments and/or discounts, including related to a portion of the savings achieved by such portfolio company, being made to an Affiliate of the Collateral Manager.

Investments in Issuers Alongside Other Clients. From time to time, the Issuer will co-invest with Other Accounts (including co-investment or other vehicles in which the firm or its personnel invest and that co-invest with such Other Accounts) in investments that are suitable for one or more of the Issuer and such Other Accounts. Even if the Issuer and any such Other Accounts and/or co-investment or other vehicles invest in the same securities, conflicts of interest may still arise. For example, it is possible that as a result of legal, tax, regulatory, accounting or other considerations, the terms of such investment (and divestment thereof) (including with respect to price and timing) for the Issuer and such other funds and vehicles may not be the same. Additionally, the Issuer and such Other Accounts and/or vehicles will generally have different investment periods and/or investment objectives (including return profiles) and DFME, as a result, may have conflicting goals with respect to the price and timing of disposition opportunities. Moreover, while DFME generally seeks to use reasonable efforts to avoid cross-guarantees and other similar arrangements, a counterparty, lender or other participant in any transaction to be pursued by the Issuer and/or the Other Accounts may require or prefer facing only one fund entity or group of entities, which may result in any of the Issuer and such Other Accounts and/or vehicles being jointly and severally liable for such applicable obligation (subject to any limitations set forth in the applicable partnership agreements thereof), which in each case may result in the Issuer and such Other Accounts and/or vehicles entering into a back-to-back or other similar reimbursement agreement. In such situations it is not expected that any of the Issuer or such Other Accounts or vehicles would be compensated (or provide compensation to the other) for being primarily liable vis-à-vis such third party counterparty.

Material, Non-Public Information. GSO Capital Partners LP may come into possession of material non-public information with respect to an issuer. Should this occur, the Collateral Manager would likely be restricted from buying, originating or selling securities, loans of, or derivatives with respect to, the issuer on behalf of the Issuer until such time as the information becomes public or is no longer deemed material such that it would 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 GSO Capital Partners LP that might be relevant to an investment decision to be made by the Issuer. In addition, GSO Capital Partners LP, in an effort to avoid buying or selling restrictions on behalf of the Issuer or Other Clients, may choose to forego an opportunity to receive (or elect not to receive) information that other market participants or counterparties, including those with the same positions in the issuer as the Issuer, are eligible to receive or have received, even if possession of such information would be advantageous to the Issuer.

In addition, affiliates of GSO Capital Partners LP within The Blackstone Group may come into possession of material non-public information with respect to an issuer. Should this occur, GSO Capital Partners LP may be restricted from buying, originating or selling securities, loans of, or derivatives with respect to, the issuer on behalf of the Issuer if the firm deemed such restriction appropriate. 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 firm that might be relevant to an investment decision to be made by the Issuer.

Accordingly, 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.

Restrictions Arising under the Securities Laws. 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.

Possible Future Activities. The Collateral Manager, BGCF and its Affiliates may expand the range of services that it provides over time. Except as provided herein, the Collateral Manager, BGCF 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, BGCF 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.

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

Portfolio Company Data. The Blackstone Group receives various kinds of portfolio company/entity data and information (including from portfolio companies and/or Obligors), including without limitation data and information relating to business operations, trends, budgets, customers and other metrics (this includes data that is sometimes referred to as "big data"). As a result, The Blackstone Group may be better able to anticipate macroeconomic and other trends, and otherwise develop investment themes, as a result of information learned from a portfolio company and/or entity. In furtherance of the foregoing, The Blackstone Group has entered and may further enter into information sharing and use arrangements with portfolio companies and/or entities.

The Blackstone Group believes that access to this information furthers the interests of the Issuer by providing opportunities for operational improvements across portfolio companies and/or entities and in connection with the Issuer's investment management activities. The Blackstone Group, however, has and expects to utilise such information outside of the Issuer's activities in a manner that may provide a material benefit to The Blackstone Group without compensating or otherwise benefiting the Issuer.

Furthermore, while trading securities of the portfolio company and/or entity to which the information specifically relates may be legally restricted, due to, among other reasons, The Blackstone Group's contractual restrictions under a confidentiality agreement, The Blackstone Group shall otherwise be under no duty to refrain from trading for the benefit of The Blackstone Group and/or an Other Blackstone Fund in the securities of unaffiliated issuers while using or otherwise being in possession of such information. For example, The Blackstone Group's ability to trade in securities of an issuer relating to a specific industry may, subject to applicable law, be enhanced by information of a portfolio company and/or entity in the same or related industry. Such trading may provide a material benefit to The Blackstone Group and/or Other Accounts without compensating or otherwise benefiting the Issuer.

The sharing and use of "big data" and other information presents potential conflicts of interest and the Issuer has acknowledged and agreed in the Collateral Management and Administration Agreement that any corresponding/resulting benefits received by the Collateral Manager or its affiliates will not be offset against the Collateral Management Fee, or otherwise shared with the Issuer. As a result, the Collateral Manager has an incentive

to purchase Collateral Obligations based on their data and information and/or to utilise such information in a manner that benefits The Blackstone Group and/or Other Accounts.

Service Providers and Counterparties. Certain advisers and other service providers, or their affiliates (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, and investment or commercial banking firms) to the Issuer, DFME, The Blackstone Group and/or certain entities in which the Issuer has an investment also provide goods or services to, or have business, personal, financial or other relationships with, DFME, The Blackstone Group, their affiliates and portfolio companies. Such advisers and service providers may be investors in affiliates of the Collateral Manager, sources of investment opportunities or co-investors or commercial counterparties or entities in which DFME, The Blackstone Group and/or Other Accounts have an investment, and payments by the Issuer may indirectly benefit DFME The Blackstone Group and/or such Other Accounts.

Additionally, certain employees of the Collateral Manager may have family members or relatives employed by such advisers and service providers. These relationships may influence DFME or The Blackstone Group in deciding whether to select or recommend such service providers to perform services for the Issuer (the cost of which will generally be borne directly or indirectly by the Issuer as Administrative Expenses). Notwithstanding the foregoing, transactions relating to the Issuer that require the use of a service provider will generally be allocated to service providers on the basis of best execution, the evaluation of which includes, among other considerations, such service provider's provision of certain investment-related services and research that the Collateral Manager believes to be of benefit to the Issuer. Advisers and service providers, or their affiliates, often charge different rates or have different arrangements for specific types of services. With respect to service providers, for example, the fee for a given type of work may vary depending on the complexity of the matter as well as the expertise required and demands placed on the service provider. Therefore, to the extent the types of services used by the Issuer are different from those used by DFME, The Blackstone Group and their affiliates (including personnel) may pay different amounts or rates than those paid by the Issuer. Similarly, DFME, The Blackstone Group, their affiliates, the Issuer, the Other Accounts and/or their portfolio companies may enter into agreements or other arrangements with vendors and other similar counterparties (whether such counterparties are affiliated or unaffiliated with The Blackstone Group) from time to time whereby such counterparty may charge lower rates and/or provide discounts or rebates for such counterparty's products and/or services depending on certain factors, including without limitation, volume of transactions entered into with such counterparty by DFME, The Blackstone Group, their affiliates, the Issuer, the Other Accounts and their portfolio companies in the aggregate. However, the Collateral Manager and its affiliates have a longstanding practice of not entering into any arrangements with advisers or service providers that could provide for lower rates or discounts than those available to the Issuer for the same services.

The Issuer's service providers (including lenders, brokers, attorneys and investment banking firms) may be investors in Other Accounts and/or may be sources of investment opportunities or counterparties to any of the foregoing. 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 Blackstone Affiliates. In particular, an Affiliate of the Collateral Manager will act as the Corporate Services Provider of the Issuer and BGCF, and BGCF is provided certain service support by DFME (the entity that also acts as Collateral Manager). In situations where the Collateral Manager or its Affiliates were influenced to not use a particular service provider as a result of the above and it was considered that the refused service provider would have performed in a manner considered to be relatively better than the service provider actually chosen, this may be perceived to have an adverse relative effect on the performance of the Issuer and thus the return to investors. 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). The allocation is not guaranteed, however, and if an allocation was not able to be made on the basis of best execution, this could result in an adverse relative effect on the performance of the Issuer and thus the return to investors. Advisers and their service providers, or their affiliates, often charge different rates or have different arrangements for specific types of services. Therefore, based on the types of services used by clients (such as Issuer) as compared to Blackstone Affiliates and the terms of such services, Blackstone Affiliates may benefit to a greater degree from such vendor arrangements than the clients (such as the Issuer).

The Issuer's service providers (including lenders, brokers, attorneys and investment banking firms) may be investors in Other Accounts and/or may be sources of investment opportunities or counterparties to any of the foregoing. 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 Blackstone Affiliates. In particular, an Affiliate of the Collateral Manager will act as the Corporate Services Provider of the Issuer and BGCF, and BGCF is provided certain service support by DFME (the entity that also acts as Collateral Manager). In situations where the Collateral Manager or its Affiliates were influenced to not use a particular service provider as a result of the above and it was considered that the refused service provider would have performed in a manner considered to be relatively better than the service provider actually chosen, this may be perceived to have an adverse relative effect on the performance of the Issuer and thus the return to investors. 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). The allocation is not guaranteed, however, and if an allocation was not able to be made on the basis of best execution, this could result in an adverse relative effect on the performance of the Issuer and thus the return to investors. Advisers and their service providers, or their affiliates, often charge different rates or have different arrangements for specific types of services. Therefore, based on the types of services used by clients (such as Issuer) as compared to Blackstone Affiliates and the terms of such services, Blackstone Affiliates may benefit to a greater degree from such vendor arrangements than the clients (such as the Issuer).

Further conflicts could arise once the Issuer and other affiliates have made their respective 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 Affiliates of The Blackstone Group L.P. 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.

Conflicts Involving the Transaction Documents. Collateral Management and Administration Agreement 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.

The Collateral Manager has engaged an Affiliate of the Collateral Manager to undertake certain of its duties under the Collateral Management and Administration Agreement on behalf of the Issuer in respect of instruments characterised as bonds, equities, debt securities or derivatives pursuant to its ability to do so under clause 2.7 (*Third Parties*) of the Collateral Management and Administration Agreement (extracted below for reference). In connection with such employment, the Collateral Manager shall not be relieved of any of its duties under the Collateral Management and Administration Agreement regardless of the performance of the services aforementioned by its relevant Affiliate:

Third Parties

In providing services under this Agreement, the Collateral Manager may consult and rely in good faith upon and will incur no liability for relying upon advice of nationally recognised counsel (which may be counsel for an issuer of any Collateral Obligation or Eligible Investment or any of its Affiliates), accountants or other advisers as the Collateral Manager determines, acting in a reasonable commercial manner, is reasonably appropriate in connection with the services provided by the Collateral Manager under this Agreement. The Collateral Manager may, without the consent of any party, employ third parties to render advice, to provide services to arrange for trade execution and otherwise provide assistance to the Issuer and to perform any of its duties under this Agreement; provided that the Collateral Manager shall not be relieved of any of its duties under this Agreement regardless of the performance of

any services by third parties or Affiliates. In addition, the Collateral Manager shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing reasonably believed by it to be genuine and to have been signed or sent by the proper Person. The Collateral Manager also may rely upon any statement made to it orally or by telephone and reasonably believed by it to be made by the proper Person, and shall not incur any liability for relying thereon.

Other Trading and Investing Activities. Certain Other Accounts may invest in securities of publicly traded companies that are actual or potential issuers of Collateral Obligations. The trading activities of those vehicles may differ from or be inconsistent with activities that are undertaken for the account of the Issuer in such securities or related securities. In addition, the Issuer might not pursue an investment in an issuer as a result of such trading activities by Other Accounts.

No Independent Advice. None of the Initial Purchaser, the Collateral Manager, BGCF, the Trustee, the Collateral Administrator or any affiliate of any of them is providing investment, accounting, tax or legal advice in respect of the Notes and will not have a fiduciary relationship with any investor or prospective investor in the Notes. No financial hypothetical performance scenarios, modelling runs or return analyses are included in this Offering Circular and no financial hypothetical performance scenarios, modelling runs or return analyses previously provided may be relied upon by a prospective purchaser in considering its investment.

Additional Potential Conflicts. The officers, directors, members, managers, and employees of the Collateral Manager and/or BGCF 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 Blackstone Group, or otherwise determined from time to time by the Collateral Manager or BGCF, as applicable.

In addition, the Investment Company Act may limit the Issuer's ability to undertake certain transactions with its affiliates that are registered under the Investment Company Act. Certain Other Accounts may be subject to the Investment Company Act or other regulations which, due to the role of DFME as Collateral Manager, could restrict the ability of the Issuer to buy Collateral Obligations from, to sell Collateral Obligations to, or to invest in the same securities as, such Other Accounts. As a result of these restrictions, the Issuer may be prohibited from executing "joint" transactions with such affiliates, which could include investments in the same portfolio company (whether at the same or different times). These limitations may limit the scope of investment opportunities that would otherwise be available to the Issuer.

From time to time employees of The Blackstone Group may serve as directors or advisory board members of certain portfolio companies or other entities. In connection with such services and subject to applicable law, The Blackstone Group receives directors' fees or other similar compensation. Such amounts may, but are not expected to be, material, and will not be passed through to the Issuer.

Rating Agencies

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

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

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

The Initial Purchaser will purchase the Refinancing Notes from the Issuer on the Refinancing Date and resell them in individually negotiated transactions at varying prices, which may result in a higher or lower fee being paid to the Initial Purchaser in respect of those Refinancing Notes. The Initial Purchaser may elect in its sole discretion to

rebate a portion of its fees in respect of the Refinancing Notes to certain investors, including the Collateral Manager. The Initial Purchaser may assist clients and counterparties in transactions related to the Refinancing Notes (including assisting clients in future purchases and sales of the Refinancing Notes and hedging transactions). The Initial Purchaser expects to earn fees and other revenues from these transactions.

The Barclays Parties may retain a certain proportion of the Refinancing Notes in their portfolios with an intention to hold to maturity or to trade. The holding or any sale of the Refinancing Notes by these parties may adversely affect the liquidity of the Refinancing Notes and may also affect the prices of the Refinancing Notes in the primary or secondary market. The Barclays Parties are part of a global investment banking and securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. As such, they actively make markets in and trade financial instruments for their own account and for the accounts of customers in the ordinary course of their business. The financial services that the Barclays Parties 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. In the case of any such financing, the Barclays Parties may have received security over assets of the Collateral Manager, resulting in the financing parties having enforcement rights and remedies in relation to such financing. In carrying out its obligations as Initial Purchaser or any other transaction party, no Barclays Party shall be under any duty to disclose to the Collateral Manager, the Issuer, the Trustee, any Noteholders, any prospective investor or any other person, any non-public information acquired in the course of carrying on any business for, or in connection with, the provision of services to any other party. In addition, the Barclays Parties may derive fees and other revenues from the arrangement and provision of any such financings. The Barclays Parties may have positions in and will likely have placed or underwritten certain of the Collateral Obligations (or other obligations of the Obligors of Collateral Obligations) when they were originally issued and may have provided or may be providing investment banking services and other services to Obligors of certain Collateral Obligations. In addition, the Barclays Parties and their clients may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, Collateral Obligations. Each of the Barclays Parties will act in its own commercial interest in its various capacities without regard to whether its interests conflict with those of the 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 Barclays Parties or in which one or more Barclays Parties hold an equity participation or other interest. The purchase, holding or sale of such Collateral Obligations by the Issuer may increase the profitability of the Barclays Parties' own investments in such obligors.

From time to time the Collateral Manager may purchase from or sell Collateral Obligations through or to the Barclays Parties and one or more Barclays Parties may act as the selling institution with respect to participation interests and/or as a counterparty under a Hedge Agreement. The Barclays Parties may act as placement agent and/or initial purchaser or investment manager in other transactions involving issues of collateralised debt obligations or other investment funds with assets similar to those of the Issuer, which may have an adverse effect on the availability of collateral for the Issuer and/or on the price of the Refinancing Notes.

The Barclays Parties do not disclose specific trading positions or their hedging strategies, including whether they are in long or short positions in any Refinancing Notes or obligations referred to in this Offering Circular except where required in accordance with the applicable law. Nonetheless, in the ordinary course of business, Barclays Parties and employees or customers of the Barclays Parties may actively trade in and/or otherwise hold long or short positions in the Refinancing Notes, Collateral Obligations and Eligible Investments or enter into transactions similar to or referencing the Refinancing Notes, Collateral Obligations and Eligible Investments or the Obligors thereof for their own accounts and for the accounts of their customers. If a Barclays Party becomes an owner of any of the Refinancing Notes, through market-making activity or otherwise, any actions that it takes in its capacity as owner, including voting, providing consents or otherwise will not necessarily be aligned with the interests of other owners of the same Class or other Classes of the Refinancing Notes. To the extent a Barclays Party makes a market in the

Refinancing Notes (which it is under no obligation to do), it would expect to receive income from the spreads between its bid and offer prices for the Refinancing Notes. In connection with any such activity, it will have no obligation to take, refrain from taking or cease taking any action with respect to these transactions and activities based on the potential effect on an investor in the Refinancing Notes. The price at which a Barclays Party may be willing to purchase Refinancing Notes, if it makes a market, will depend on market conditions and other relevant factors and may be significantly lower than the issue price for the Refinancing Notes and significantly lower than the price at which it may be willing to sell the Refinancing Notes.

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

7. IRISH LAW CONSIDERATIONS

The Issuer is subject to risks, including the location of its centre of main interest, the appointment of examiners, claims of preferred creditors and floating charges.

Centre of main interest

The Issuer has its registered office in Ireland. Under Regulation (EU) No. 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) (the "**Recast EU Insolvency Regulation**"), the Issuer's centre of main interest ("**COMI**") is presumed to be the place of its registered office (i.e. Ireland) in the absence of proof to the contrary and provided that the Issuer did not move its registered office within the 3 months prior to a request to open insolvency proceedings.

As the Issuer's COMI is presumed to be Ireland, any main insolvency proceedings in respect of the Issuer would fall within the jurisdiction of the courts of Ireland. As to what might constitute "*proof to the contrary*" regarding the location of a company's COMI, the key decision is that in ***Re Eurofood IFSC Ltd*** ([2004] 4 IR 370 (Irish High Court); [2006] IESC 41 (Irish Supreme Court); [2006] Ch 508; ECJ Case C-341/04 (European Court of Justice)), given in respect of the equivalent provision in the previous EU Insolvency Regulation (Regulation (EC) No. 1346/2000). In that case, on a reference from the Irish Supreme Court, the European Court of Justice concluded that "*factors which are both objective and ascertainable by third parties*" would be needed to demonstrate that a company's actual situation is different from that which the location of its registered office is deemed to reflect. For instance, if a company with its registered office in Ireland does not carry on any business in Ireland, that could rebut the presumption that the company's COMI is in Ireland. However, if a company with its registered office in Ireland does carry on business in Ireland, the fact that its economic choices are controlled by a parent undertaking in another jurisdiction would not, of itself, be sufficient to rebut the presumption.

As the Issuer has its registered office in Ireland, has Irish directors, is registered for tax in Ireland and has retained an Irish corporate services provider, the Issuer does not believe that factors exist that would rebut the presumption that its COMI is located in Ireland, 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 was found to be in another EU jurisdiction and not in Ireland, main insolvency proceedings would be opened in that jurisdiction instead.

Examinership

Examinership is a court moratorium/protection procedure which is available under Irish company law to facilitate the survival of Irish companies in financial difficulties. Where a company, which has its COMI in Ireland is, or is likely to be, unable to pay its debts an examiner may be appointed on a petition to the relevant Irish court under Section 509 of the Companies Act 2014.

The Issuer, the directors of the Issuer, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Issuer are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has

the power to halt, prevent or rectify acts or omissions, by or on behalf of the company after his appointment and, in certain circumstances, negative pledges given by the company prior to his appointment will not be binding on the company. Furthermore, where proposals for a scheme of arrangement are to be formulated, the company may, subject to the approval of the court, affirm or repudiate any contract under which some element of performance other than the payment remains to be rendered both by the company and the other contracting party or parties.

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

The fact that the Issuer is a special purpose entity and that all its liabilities are of a limited recourse nature means that it is unlikely that an examiner would be appointed to the Issuer.

If however, for any reason, an examiner were appointed while any amounts due by the Issuer under the Notes were unpaid, the primary risks to the holders of Securities would be as follows:

(a) the Trustee, acting on behalf of the Noteholders, would not be able to enforce rights against the Issuer during the period of examinership; and

(b) a scheme of arrangement may be approved involving the writing down of the debt due by the Issuer to the Noteholders irrespective of the Noteholders' views.

Preferred Creditors

If the Issuer becomes subject to an insolvency proceeding and the Issuer has obligations to creditors that are treated under Irish law as creditors that are senior relative to the Noteholders, the Noteholders may suffer losses as a result of their subordinated status during such insolvency proceedings. In particular:

(a) under the terms of the Trust Deed, the Refinancing Notes will be secured in favour of the Trustee for the benefit of itself and the other Secured Parties by security over a portfolio of Collateral Obligations and assignments of various of the Issuer's rights under the Transaction Documents. Under Irish law, the claims of creditors holding fixed charges may rank behind other creditors (namely fees, costs and expenses of any examiner appointed and certain capital gains tax liabilities) and, in the case of fixed charges over book debts, may rank behind claims of the Irish Revenue Commissioners for PAYE, pay related social insurance, local property tax and VAT;

(b) under Irish law, for a charge to be characterised as a fixed charge, the charge holder is required to exercise the requisite level of control over the assets purported to be charged and the proceeds of such assets including any bank account into which such proceeds are paid. There is a risk therefore that even a charge which purports to be taken as a fixed charge may take effect as a floating charge if a court deems that the requisite level of control was not exercised; and

(c) in an insolvency of the Issuer, the claims of certain other creditors (including the Irish Revenue Commissioners for certain unpaid taxes), as well as those of creditors mentioned above, will rank in priority to claims of unsecured creditors and claims of creditors holding floating charges.

DOCUMENTS INCORPORATED

The 2016 Offering Circular is included herein as Annex A and forms an integral part of this Offering Circular. The information in this Offering Circular should be read in conjunction with the 2016 Offering Circular. The changes described herein supersede all statements which are inconsistent therewith in the 2016 Offering Circular.

Unless the context otherwise specifically requires, all references in the 2016 Offering Circular to a relevant Class of Refinanced Notes shall be a reference to the same Class of Refinancing Notes as defined herein (as the context requires) and all references in the 2016 Offering Circular to the Notes shall include the Refinancing Notes (as the context requires). All references in the 2016 Offering Circular to the Trust Deed shall be to the Trust Deed as modified by the Supplemental Trust Deed.

The audited financial statements of the Issuer as at and for the financial period ending 31 December 2016, together with the audit reports thereon, have been filed with the Central Bank and shall be deemed to be incorporated by reference in, and to form part of, this Offering Circular. The Initial Purchaser did not participate in the production of the financial statements, takes no responsibility in respect of any financial statement, provides no representations or warranties as to the accuracy or completeness thereof and will have no liability whatsoever for any information contained therein.

Such financial statements are located at:
http://www.ise.ie/debt_documents/Annual%20Financial%20Statement_364a6b8c-a46a-4fc6-8f63-4653d0c85d7a.PDF.

DESCRIPTION OF THE REFINANCING NOTES

The information set forth in this section should be read in conjunction with the section entitled "*Conditions*" in the 2016 Offering Circular.

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

Purchasers of the Refinancing Notes will be deemed to have approved the modifications contained in the Supplemental Trust Deed in the manner set out herein.

Except as expressly set forth herein, the Class A-1 Notes will be subject to the same terms and conditions as the Original Class A-1 Notes, the Class A-2 Notes will be subject to the same terms and conditions as the Original Class A-2 Notes, the Class B Notes will be subject to the same terms and conditions as the Original Class B Notes, the Class C Notes will be subject to the same terms and conditions as the Original Class C Notes, the Class D Notes will be subject to the same terms and conditions as the Original Class D Notes and the Class E Notes will be subject to the same terms and conditions as the Original Class E Notes. Therefore, except as expressly set forth herein, the information regarding the Original Class A-1 Notes, the Original Class A-2 Notes, the Original Class B Notes, the Original Class C Notes, the Original Class D Notes and the Original Class E Notes set forth in the 2016 Offering Circular also applies to the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, respectively and all references to the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes in the Conditions shall be references to the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes issued on the Redemption Date.

The revised terms and conditions of the Refinancing Notes will be set forth in the Supplemental Trust Deed and are set out below. This Offering Circular, together with the 2016 Offering Circular, summarises certain provisions of the Trust Deed and other transaction documents. The summaries do not purport to be complete and (whether or not so stated in this Offering Circular or the 2016 Offering Circular) are subject to and are qualified in their entirety by reference to the provisions of the transaction documents (including definitions of terms).

Supplemental Trust Deed Amendments to the Conditions and the Collateral Management and Administration Agreement in respect of the Refinancing Notes

In connection with the Refinancing, the Issuer intends to enter into the Supplemental Trust Deed which will, amongst other things, supplement the Trust Deed and amend certain of the other Transaction Documents including, but not limited to, the Collateral Management and Administration Agreement concurrently with the Refinancing. The purchasers of Refinancing Notes will be deemed to approve the amendments to the Trust Deed pursuant to the Supplemental Trust Deed. See also the description of the amendments to the Collateral Management and Administration Agreement in the "*Portfolio*" section.

The following list is not exhaustive and is subject to, and qualified in its entirety by reference to the provisions of the Supplemental Trust Deed.

It is anticipated that the following amendments will be effected by entry into the Supplemental Trust Deed by, among others, the Issuer and the Trustee.

Amendments to the Conditions

- The definition of "Accrual Period" in Condition 1 (*Definitions*) is deleted and replaced with the following:

  "**Accrual Period**" means:

  (a) in respect of the Subordinated Notes, the period from and including the Issue Date to, but excluding the first Payment Date; and

  (b) in respect of each Class of Notes that is subject to a Refinancing, the applicable Initial Accrual Period,

  and thereafter, for each Class of Notes, each successive period from and including each Payment Date to, but excluding, the following Payment Date.

- The definition of "**Cov-Lite Loan**" is deleted and replaced with the following:

  ""**Cov-Lite Loan**" means a Collateral Obligation, as determined by the Collateral Manager in its reasonable commercial judgement, that is an interest in a loan, the Underlying Instruments for which do not require the Obligors thereunder to comply with any Maintenance Covenant (regardless of whether compliance with one or more incurrence covenants is otherwise required by such Underlying Instruments); *provided that*, for all purposes (other than for determination of the S&P Recovery Rate) if such Collateral Obligation either contains a cross-default provision to, or is pari passu with, another loan where the relevant Obligors are part of the borrowing group thereunder that requires compliance with one or more Maintenance Covenants, such Collateral Obligation will be deemed not to be a Cov-Lite Loan."

- The definition of "**Initial Purchaser**" is deleted and replaced with the following:

  "**2016 Initial Purchaser** means Deutsche Bank AG, London Branch.

  Wherever the term "**2016 Initial Purchaser**" appears in the Conditions, this will also include a reference to the "2018 Initial Purchaser" (other than in the definition of "Subscription Agreement").

- The definition of "**Issue Date**" is deleted and replaced with the following:

  "**Issue Date**" means:

  (a) in respect of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, 16 April 2018; and

  (b) in respect of Subordinated Notes, 26 May 2016.

- The definition of "**Moody's Weighted Average Spread Adjustment**" is deleted.

- The definition of "**Refinancing**" is deleted and replaced with the following:

  "**Refinancing**" means, as the context requires:

  (a) a refinancing as defined in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole through Refinancing*); or

  (b) the Refinancing of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes that took effect on 16 April 2018.

- The definition of "**Restructured Obligation**" is deleted and replaced with the following:

  "**Restructured Obligation**" means a Collateral Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) and which satisfies the Restructured Obligation Criteria as at its applicable Restructuring Date *provided that* the failure of a Restructured Obligation to satisfy the Restructured Obligation Criteria at any time after the applicable Restructuring Date shall not cause such obligation to cease to be a Restructured Obligation unless it is subsequently restructured again, in which case such obligation shall constitute a Restructured Obligation provided that it satisfies the Restructured Obligation Criteria as at its Restructuring Date.

- The term "**Retention Requirements**" is re-defined as the "**EU Retention Requirements**" throughout the Conditions.

- The definition of "**Secured Senior Loan**" is amended in paragraph (a)(ii) to replace the reference to "100.00 per cent." with "80.00 per cent.".

- The definition of "**Secured Senior Note**" is amended in paragraph (a)(ii) to replace the reference to "100.00 per cent." with "80.00 per cent.".

- The definition of "**Secured Senior RCF Percentage**" is amended to replace the words "15 per cent." with "(i) in relation to the determination of the S&P Recovery Rate, 15%, and (ii) otherwise, 30%".

- A new definition is added in Condition 1 (*Definitions*) as follows:

  "**Initial Accrual Period**" means, in respect of a Class of Notes that is issued pursuant to a Refinancing, either (i) if the Refinancing occurs on a Payment Date, from and including such Payment Date or (ii) if the Refinancing occurs on a date other than a Payment Date, from and including the Payment Date immediately preceding the date of the Refinancing, in each case to, but excluding, the first Payment Date following the Refinancing.

- A new definition is added as follows:

  "**2018 Initial Purchaser**" means Barclays Bank PLC.

- A new definition is added as follows:

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

- A new definition is added as follows:

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

- A new definition is added as follows:

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

- A new definition is added as follows:

  "**2018 Subscription Agreement**" means the subscription agreement between the Issuer and the Initial Purchaser dated as of 12 April 2018.

  Wherever the term "**Subscription Agreement**" appears in the Conditions (other than in the definition of Subscription Agreement), this will be replaced by a reference to both this term and the term "2018 Subscription Agreement".

- A new definition is added as follows:

  "**Supplemental Trust Deed**" means the supplemental trust deed dated 16 April 2018 between the same parties to the Trust Deed.

- A new definition is added as follows:

  "**U.S. Risk Retention Rules**" means the final rules implementing the credit risk retention requirements of Section 15G of the Securities Exchange Act of 1934, as amended (codified at 17 C.F.R § 246.1-246.22), including the limitations on hedging, financing and transfer therein. Section references to the U.S. Risk Retention Rules are to the rules contained in Regulation RR, 17 C.F.R §246.1, et seq.

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

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

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

  "(n) Modifications

  For the purpose of:

  (i) Condition 14(c)(xii), (xvii) and (xx) (*Modification and Waiver*):

  (A) the Noteholders of the Refinancing Notes which are Class A-1 Notes (being the Controlling Class) issued pursuant to the Refinancing on 16 April 2018 have consented (deemed to have been acting by way of an Ordinary Resolution), by their subscription for such Class A-1 Notes on 16 April 2018; and

  (B) the Subordinated Noteholders, have by way of Extraordinary Resolution, consented,

  to (x) the modification of the Collateral Quality Tests, including but not limited to the modifications to the Weighted Average Life Test, the S&P CDO Monitor Test, the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Floating Spread Test and the deletion of the S&P Minimum Weighted Average Recovery Rate Test and (y) an amendment to the definition of "Cov-Lite Loan" and the amendment of the Moody's Test Matrix, the insertion of a new Clause 9.4 (*Credit Estimates*) in the Collateral Management and Administration Agreement and certain amendments to the Eligibility Criteria, Portfolio Profile Tests and the Reinvestment Criteria, each as contemplated in the Supplemental Trust Deed; and

(ii) Condition 14(b)(vii) (*Ordinary Resolution*):

(A) each Class of Noteholders of the Refinancing Notes (being the Rated Notes) issued pursuant to the Refinancing on 16 April 2018 have consented (deemed to have been acting by way of an Ordinary Resolution), by their subscription for each such Class of Notes on 16 April 2018; and

(B) the Subordinated Noteholders, have by way of Extraordinary Resolution, consented,

to (x) changes to the definitions of Restructured Obligation, Retention Requirements, Senior Secured Loan, Senior Secured Note and Senior Secured RCF Percentage and the addition of the definition of U.S. Risk Retention Rules and (y) certain amendments to Condition 7(b) (*Optional Redemption*), Condition 14(b) (*Decisions and Meetings of Noteholders*), Condition 14(c) (*Modification and Waiver*) and Condition 17 (*Additional Issuances*), each as contemplated in the Supplemental Trust Deed."

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

"(D) Where:

"**Applicable Margin**" means:

(1) in the case of the Class A-1 Notes: 0.62 per cent. per annum (the "**Class A-1 Margin**");

(2) in the case of the Class A-2 Notes: 1.20 per cent. per annum;

(3) in the case of the Class B Notes: 1.70 per cent. per annum;

(4) in the case of the Class C Notes: 2.45 per cent. per annum;

(5) in the case of the Class D Notes: 5.25 per cent. per annum; and

(6) in the case of the Class E Notes: 7.25 per cent. per annum.

Notwithstanding paragraphs (A), (B) and (C) above, if in relation to any Interest Determination Date, EURIBOR in respect of any Class of Rated Notes as determined in accordance with paragraphs (A), (B) and (C) above would yield a rate less than zero, such rate shall be deemed to be zero for the purposes of determining the floating rate of interest pursuant to this Condition 6(e)(i) (*Floating Rate of Interest*)."

- Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders*) is deleted and replaced with the following:

"(i) *Optional Redemption in Whole - 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 through Refinancing*) and Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices:

(A) on any Payment Date (provided that, to the extent the Class A-1 Notes and the Class A-2 Notes are no longer Outstanding the Redemption Date can occur on any Business Day)

falling, in the case of (I) any redemption in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole through Refinancing*), on or after 15 April 2019 and (II) any redemption in accordance with Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*), on or after expiry of the Non-Call Period, in each case at the option of the holders of the Subordinated Noteholders acting by way of Ordinary Resolution (as separately evidenced by duly completed Redemption Notices delivered by those Noteholders who passed such Ordinary Resolution either by way of Written Resolution or at a duly convened meeting of the requisite Noteholders); or

(B) upon the occurrence of a Collateral Tax Event, on any Payment Date falling after such occurrence (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) at the direction of the Subordinated Noteholders acting by way of Extraordinary Resolution (as separately evidenced by duly completed Redemption Notices delivered by those Noteholders who passed such Extraordinary Resolution either by way of Written Resolution or at a duly convened meeting of the requisite Noteholders);"

- Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*) is deleted and references to "Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*)" are deleted accordingly throughout the Conditions.

- Condition 7(b)(iv)(C) (*Terms and Conditions of an Optional Redemption*) is deleted in its entirety.

- Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) is amended so that:

  (a) the title of the Condition, and references to the title throughout the Conditions, are amended to remove reference to "or in part";

  (b) all references to a redemption in part of the entire Class of a Class of Rated Notes are deleted;

  (c) the introductory paragraph is deleted and replaced with the following:

  "Following receipt of, or, as the case may be, confirmation from the Principal Paying Agent of receipt of, a direction or approval in writing from the Subordinated Noteholders acting by way of Ordinary Resolution (as separately evidenced by duly completed Redemption Notices delivered by those Noteholders who passed such Ordinary Resolution either by way of Written Resolution or at a duly convened meeting of the requisite Noteholders) to exercise any right of optional redemption pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*) and the prior written consent of the Collateral Manager, the Issuer may:"; and

  (c) in paragraph (A) (*Refinancing in relation to a Redemption in Whole*), the following additional sub-paragraph is added: "(7) the Collateral Manager consents to such Refinancing;".

- In respect of Condition 14(b)(vi) (*Extraordinary Resolution*), the introductory paragraph is deleted and replaced with the following:

"(vi) *Extraordinary Resolution*

Any Resolution to sanction any of the following items (each a "**Basic Terms Modification**") will be required to be passed by an Extraordinary Resolution and shall additionally require the consent of the

Collateral Manager (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):"

- In respect of Condition 14(b)(vii) (*Ordinary Resolution*), the introductory paragraph is deleted and replaced with the following:

"(vii) *Ordinary Resolution*

Any meeting of the Noteholders shall (in each case, subject to these Conditions, anything else specified in the Trust Deed, the Collateral Management and Administration Agreement or the relevant Transaction Document, as applicable) have power by way of Ordinary Resolution to approve any other matter relating to the Notes not referred to in paragraph (vi) (*Extraordinary Resolution*) above and shall additionally require the consent of the Collateral Manager."

- In respect of Condition 14(c) (*Modification and Waiver*), the introductory paragraph is deleted and replaced with the following:

"(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 set out below), the Issuer may (with the consent of the Collateral Manager) 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 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, subject as provided below (other than in the case of an amendment, modification, supplement or waiver, pursuant to paragraphs (xi) or (xiii) 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 (other than, in each case (with the exception of paragraphs (xi) and (xiii) below), any such amendment, modification, supplement and/or waiver that has the effect of sanctioning a Basic Terms Modification):"

- Each of Condition 14(c) (xi), (xiii), (xvii), (xx), (xxiv), (xxvii), (xxviii) and (xxxi) (*Modification and Wavier*) are amended to remove any consent right of the Class A-1 Noteholders or to remove any negative consent right of the Class A-1 Noteholders, as applicable.

- Condition 17 (*Additional Issuances*) is amended to delete the introductory paragraph of Condition 17(a) and replace it with the following:

"(a) The Issuer may from time to time, subject (other than in the case of an issuance of Subordinated Notes required in order to cure or prevent a Retention Deficiency, where the approval of the Subordinated Noteholders shall not be required) to the approval of the Subordinated Noteholders and, in the case of the issuance of additional Class A-1 Notes, subject to the approval of the Controlling Class, in each case acting by Ordinary Resolution and further subject to the prior written consent of the Collateral Manager, create and issue further Notes having the same terms and conditions as existing Classes of Notes (subject as provided below) and which shall be consolidated and form a single series with the Outstanding Notes of such Class (unless otherwise provided), and will use the proceeds of sale thereof to purchase additional Collateral Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Obligations, provided that the following conditions are satisfied:"

Amendments to the Collateral Management and Administration Agreement

- A new Clause 9.4 (*Credit Estimates*) is added to the Collateral Management and Administration Agreement as follows:

  "**9.4 Credit Estimates**

  In relation to Collateral Obligations in the Portfolio which constitute Secured Senior Notes and which are the subject of credit estimates by Moody's, the Collateral Manager shall use best endeavours to notify Moody's if, since the last credit estimate in relation to such Collateral Obligation by Moody's, it becomes aware of an increase in the proportion, as compared with the Obligor's other senior debt, of any revolving credit facility of the Obligor that has a higher priority security interest over the assets of the Obligor."

- Schedule 22 (*U.S. Tax Guidelines*) of the Collateral Management and Administration Agreement is amended for certain required updates.

RATINGS OF THE REFINANCING NOTES

The following information should be read in conjunction with the section entitled "*Ratings of the Notes*" in the 2016 Offering Circular.

It is a condition of the issuance of the Refinancing Notes that the Refinancing Notes of each Class receive from Moody's and S&P the minimum rating indicated under "*Overview*".

PORTFOLIO

The following information should be read in conjunction with the section entitled "*The Portfolio*" in the 2016 Offering Circular.

Collateral Obligations

The Latest Monthly Report has been filed with the Irish Stock Exchange plc trading as Euronext Dublin and is available for viewing at:
http://www.ise.ie/debt_documents/Elm%20Park%20CLO%20Monthly%20Report%2012th%20March%202018%20Final_267492cb-9321-4675-b9ea-c1adef862b2f.PDF.

The information in the Report has not been audited or otherwise reviewed by any accounting firm. Such information is limited and does not provide a full description of all Collateral Obligations previously held or sold by the Issuer, nor the gains or losses associated with purchases or sales of Collateral Obligations, nor the levels of compliance with the Coverage Tests and Collateral Quality Tests during periods prior to the periods covered by the Latest Monthly Report. Such reports contain information as of the dates specified therein and none of the reports are calculated as of the date of this Offering Circular. As such, the information in the report may no longer reflect the characteristics of the Collateral Obligations as of the date of this Offering Circular or on or after the Refinancing Date. The Initial Purchaser did not participate in the production of the Latest Monthly Report or any other Payment Date Report or Monthly Report, takes no responsibility in respect of any report, provides no representations or warranties as to the accuracy or completeness thereof and will have no liability whatsoever for any information, estimates, approximations or projections contained therein.

The composition of the Portfolio will change over time as a result of (i) scheduled and unscheduled principal payments on the Collateral Obligations, (ii) sales of Collateral Obligations and reinvestment of Sale Proceeds and other Principal Proceeds and (iii) other factors, subject to the limitations described under "*The Portfolio*" in the 2016 Offering Circular.

With effect from the Refinancing Date, the below replaces each equivalent part of each applicable sub-section in the 2016 Offering Circular and the Supplemental Trust Deed will amend the Collateral Management and Administration Agreement as such. For the purpose of Condition 14(c)(xii), (xvii) and (xx) (Modification and Waiver) (as applicable), each of (a) the Noteholders of the Refinancing Notes which are Class A-1 Notes (the Controlling Class) consent (deemed to be acting by way of Ordinary Resolution) by their subscription for such Class A-1 Notes, and (b) the Subordinated Noteholders consent (acting by way of Extraordinary Resolution), to the modification of each of the Weighted Average Life Test, the S&P CDO Monitor Test, the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Floating Spread Test and the deletion of the S&P Minimum Weighted Average Recovery Rate Test and certain amendments to the and the Moody's Test Matrix, Portfolio Profile Tests, the Eligibility Criteria and the Reinvestment Criteria in each case as set out below for the purpose of the Collateral Management and Administration Agreement (as amended in the Supplemental Trust Deed), provided that Rating Agency Confirmation (or such other confirmation as the relevant Rating Agency is willing to provide from time to time that such modification or amendment will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency) is received from Moody's and S&P (as applicable).

Eligibility Criteria

Each Collateral Obligation must, at the time of entering into a binding commitment to purchase such obligation by, or on behalf of, the Issuer, satisfy the Eligibility Criteria, as set out in the 2016 Offering Circular, as determined by the Collateral Manager in its reasonable discretion. See "*The Portfolio - Eligibility Criteria*" in the 2016 Offering Circular.

Pursuant to Condition 14(c)(xii) (*Modification and Waiver*), Schedule 2 (*Eligibility Criteria and Restructured Obligation Criteria*) of the Collateral Management and Administration Agreement is amended by:

(a) deleting limb (ee) and replacing it with the following:

"(ee) it is not an obligation for which the total potential indebtedness of the corporate group of the Obligor(s) thereof under all underlying instruments governing the indebtedness of the Obligors' corporate group has an aggregate principal amount (whether drawn or undrawn) of less than €150,000,000;".

Portfolio Profile Tests

Pursuant to Condition 14(c)(xii) (*Modification and Waiver*), Schedule 3 (*Portfolio Profile Tests*) of the Collateral Management and Administration Agreement is amended by:

(a) deleting each of paragraph (u) and (v); and

(b) paragraph (y) is amended to replace "EUR 100 million" with "EUR 150 million".

Reinvestment Criteria

Pursuant to Condition 14(c)(xii) (*Modification and Waiver*), Schedule 5 (*Reinvestment Criteria*) of the Collateral Management and Administration Agreement is amended as follows:

During the Reinvestment Period

(a) the first line of paragraph (e) is deleted and replaced with the following:

"(e) in the case of a Substitute Collateral Obligation purchased with Sale Proceeds of a Credit Improved Obligation or a Discretionary Sale:"; and

(b) paragraph (g) is deleted in its entirety; and

Following the Expiry of the Reinvestment Period

(a) the final paragraph is deleted and replaced with the following:

"Following the expiry of the Reinvestment Period, any Unscheduled Principal Proceeds and any Sale Proceeds from the sale of Credit Risk 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 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 later of (a) 30 Business Days following their receipt by the Issuer and (b) the end of the following Due Period; provided that, in each case where any of the applicable Reinvestment Criteria are not satisfied as of the Payment Date following receipt of such Sale Proceeds or Unscheduled Principal Proceeds, all such funds shall be paid into the Principal Account and disbursed in accordance with the Principal 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.".

Collateral Quality Tests

The Weighted Average Life Test

Pursuant to Condition 14(c)(xii) (*Modification and Waiver*), Schedule 15 (*The Weighted Average Life Test*) of the Collateral Management and Administration Agreement is amended by deleting the "Weighted Average Life Test" and replacing it with the following:

"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 26 November 2025."

S&P Minimum Weighted Average Recovery Rate Test

With respect to the Collateral Management and Administration Agreement, pursuant to Condition 14(c)(xii) (*Modification and Waiver*):

(a) Schedule 4 (*Collateral Quality Tests*) is amended to delete the "S&P Minimum Weighted Average Recovery Rate Test";

(b) Schedule 7 (*Moody's Test Matrix*) is amended to delete the words "(and, in relation to the Minimum Weighted Average Floating Spread Test, taking into account the case that the Collateral Manager has elected to apply under the S&P Matrix)";

(c) Schedule 8 (*S&P Matrix*) is amended to delete the words in the first paragraph "for purposes of both (i) the S&P CDO Monitor and (ii) the S&P Minimum Weighted Average Recovery Rate Test" and replace them with "for purposes of the S&P CDO Monitor, *provided* that the Recovery Rate Case chosen by the Collateral Manager cannot be higher than the actual S&P Weighted Average Recovery Rate"; and

(d) Schedule 10 (*S&P Minimum Weighted Average Recovery Rate Test*) is deleted entirely.

S&P CDO Monitor Test

Pursuant to Condition 14(c)(xii) (*Modification and Waiver*), Schedule 9 (*The S&P CDO Monitor Test*) of the Collateral Management and Administration Agreement is amended by deleting the content entirely and replacing it with the following:

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

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

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

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

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

C0, C1 and C2 will not change unless S&P provides updated co-efficients at the request of the Collateral Manager following the Issue Date. As at the Issue Date, C0, C1 and C2 have the following values: C0 = 0.181697078360293; C1 = 3.85367091715908 and C2 = 0.972295541111837.

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

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

(ii) the Weighted Average Coupon Adjustment Percentage (which, for the purpose of this calculation only, may be a negative amount).

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

"**S&P Default Rate**" means, with respect to all S&P CLO Specified Assets, the default rate determined in accordance with Annex B (*S&P Default Rate Table*) of this Prospectus using such S&P CLO Specified Assets' S&P Rating and the number of years to maturity (determined using linear interpolation if the number of years to maturity is not an integer).

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

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

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

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

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

"**S&P Recovery Rate**" means, in respect of each Collateral Debt Obligation and each Class of Rated Notes, an S&P Recovery Rate determined in accordance with the Collateral Management and Administration Agreement or as advised by S&P. Extracts of the S&P Recovery Rates applicable under the Collateral Management and

Administration Agreement as at the Issue Date are set out in Annex C (*S&P Recovery Rates*) of the 2016 Offering Circular.

"**S&P Weighted Average Recovery Rate**" means, as of any Measurement Date for 'AAA' liabilities, the number (expressed as a percentage) obtained by summing the products obtained by multiplying the Principal Balance (excluding Purchased Accrued Interest and Ramp Accrued Interest) of each Collateral Debt Obligation by its S&P Recovery Rate, dividing such sum by the Aggregate Principal Balance of all Collateral Debt Obligations and rounding up to the nearest 0.1 per cent. For purposes of this rate, the Principal Balance of any Defaulted Obligation shall be deemed to be zero.

"**EURIBOR Floor Adjustment**" means, if a Collateral Debt Obligation (other than a Non-Euro Obligation) is subject to a floor, the margin shall include, if positive, (x) the EURIBOR (or such other floating rate of interest specified in and calculated in accordance with the relevant Underlying Instrument) floor value minus (y) EURIBOR (or such other floating rate of interest specified in and calculated in accordance with the relevant Underlying Instrument) applicable in respect of such Collateral Debt Obligation on such Measurement Date only as notified to the Collateral Administrator by the relevant loan agent.

The Moody's Maximum Weighted Average Rating Factor Test

Pursuant to Condition 14(c)(xii) (*Modification and Waiver*), Schedule 12 (*The Moody's Maximum Weighted Average Rating Factor Test*) of the Collateral Management and Administration Agreement is amended by:

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

"The "**Moody's Maximum Weighted Average Rating Factor Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Moody's Weighted Average Rating Factor of the Collateral Obligations as at such Measurement Date is equal to or less than the sum of (i) 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 the two rows containing the closest values and/or two adjacent columns (as applicable)), (acting on behalf of the Issuer) as at such Measurement Date plus (ii) the Moody's Weighted Average Recovery Adjustment, provided, however, that the sum of (i) and (ii) may not exceed 3,500.";

(b) deleting the definition of "**Moody's Weighted Average Recovery Adjustment**" and replacing it with the following:

"The "**Moody's Weighted Average Recovery Adjustment**" means, as of any Measurement Date, the greater of:

(a) zero; and

(b) the product of:

(i) (A) the Weighted Average Moody's Recovery Rate as of such Measurement Date multiplied by 100 minus (B) 42; and

(ii)

(A) with respect to the adjustment of the Moody's Maximum Weighted Average Rating Factor Test:

(1) 75 if the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based on the option chosen by the Collateral Manager (or interpolating between two adjacent rows, (as applicable)) is greater than 3.00 per cent.; or

(2) 50 if the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based upon the option chosen by the Collateral Manager (or interpolating between two adjacent rows, (as applicable)) is equal to or greater than 2.00 per cent. But less than or equal to 3.00 per cent.;

(B) with respect to the adjustment of the Minimum Weighted Average Floating Spread Test:

(1) 0.15 per cent. if the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based upon the option chosen by the Collateral Manager (or interpolating between the two adjacent rows (as applicable)) is equal to or greater than 4.60 per cent.;

(2) 0.13 per cent. if the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based upon the option chosen by the Collateral Manager (or interpolating between the two adjacent rows (as applicable)) is less than 4.60 per cent. but greater than or equal to 4.00 per cent.;

(3) 0.07 per cent. if the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based upon the option chosen by the Collateral Manager (or interpolating between the two adjacent rows (as applicable)) is less than 4.00 per cent. but greater than 3.20 per cent.; and

(4) 0.03 per cent. if the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based upon the option chosen by the Collateral Manager (or interpolating between the two adjacent rows (as applicable)) is less than or equal to 3.20 per cent. but greater than or equal to 2.00 per cent,

provided that if the Weighted Average Moody's Recovery Rate for purposes of determining the Moody's Weighted Average Recovery Adjustment is greater than 60 per cent., then such Weighted Average Moody's Recovery Rate shall equal 60 per cent. unless Rating Agency Confirmation is obtained 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))."; and

(c) The definition of "Moody's Weighted Average Spread Adjustment" is deleted in its entirety.

The Moody's Minimum Weighted Average Recovery Rate Test

Pursuant to Condition 14(c)(xii) (*Modification and Waiver*), Schedule 13 (*The Moody's Minimum Weighted Average Recovery Rate Test*) of the Collateral Management and Administration Agreement is amended by deleting the definition of "**Moody's Minimum Weighted Average Recovery Rate Test**" and replacing it with the following:

"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 42.00 per cent.".

The Minimum Weighted Average Floating Spread Test

Pursuant to Condition 14(c)(xii) (*Modification and Waiver*), Schedule 14 (*The Minimum Weighted Average Floating Spread Test*) of the Collateral Management and Administration Agreement is amended by:

(a) deleting the definition of "**Moody's Weighted Average Floating Spread**" and replacing it with the following:

"The "**Moody's Weighted Average Floating Spread**", as of any Measurement Date, will equal the percentage set forth in the Moody's Test Matrix based upon the option chosen by the Collateral Manager (interpolating between the two rows containing the closest values and/or two adjacent columns (as applicable)) as currently applicable to the Portfolio reduced by the Moody's Weighted Average Recovery Adjustment, provided such reduction may not reduce the Minimum Weighted Average Floating Spread below 2.00 per cent."; and

(b) amending the definition of "**Aggregate Funded Spread**" to add the following at the end of paragraph (c):

"(provided that to the extent the floor is in respect of a Non-Euro Obligation and the floor is not included in the payments made by the Hedge Counterparty to the Issuer, for the purposes of this paragraph (c), the additional interest amount in respect of such additional margin shall be determined by applying the Spot Rate (multiplied by (x) in the case of Non-Euro Obligations denominated in U.S. Dollars, Sterling, Danish Krone, Swiss Francs, Swedish Krona or Norwegian Krone, 0.85; and (y) in the case of Non-Euro Obligations denominated in any other Qualifying Currency, 0.50) under paragraph (c)(ii) and not the applicable Currency Hedge Transaction Exchange Rate). "

Moody's Test Matrix

Pursuant to Condition 14(c)(xvii) (*Modification and Waiver*), Schedule 7 (*The Moody's Test Matrix*) of the Collateral Management and Administration Agreement is amended by deleting the Moody's Test Matrix and replacing it with the new Moody's Test Matrix set out in the Supplemental Trust Deed.

USE OF PROCEEDS

The estimated proceeds of the issue of the Refinancing Notes are expected to be approximately €501,250,000. Such proceeds will be used by the Issuer to redeem the Refinanced Notes at the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption. Refinancing Costs will be paid as Administrative Expenses and/or Trustee Fees and Expenses, as applicable, in accordance with the Conditions.

THE ISSUER

The information in this section should be read in conjunction with the section entitled "*The Issuer*" in the 2016 Offering Circular.

General

The current registered address of the Issuer is 2nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland.

The telephone number of the registered office of the Issuer is +353 (0)1 668 6152 and the fax number is +353 (0) 1 668 8968.

Corporate Services Provider

Intertrust Management Ireland Limited (the "**Corporate Services Provider**") was appointed by the Issuer as corporate administrator and the Issuer entered into the Corporate Services Agreement with the Corporate Services Provider on 13 May 2016.

The Corporate Services Provider's principal office is at 2nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland.

Directors and Company Secretary

The Directors of the Issuer as at the date of this Offering Circular are Anne-Marie Sexton and David Greene. The business address of the Directors is 2nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland. The principal activities of the Directors outside the Issuer are as company directors.

The Company Secretary is Intertrust Management Ireland Limited of 2nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland.

DESCRIPTION OF THE COLLATERAL MANAGER

The information appearing in this section has been prepared by the Collateral Manager and has not been independently verified by the Issuer, the Initial Purchaser or any other party. None of the Initial Purchaser or any other party other than the Issuer and the Collateral Manager assumes any responsibility for the accuracy or completeness of such information. The Issuer confirms that the information in this section has been accurately reproduced and that as 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.

General

Certain management functions with respect to the Portfolio (including, without limitation, the acquisition, management and disposal of the Collateral) are performed by Blackstone / GSO Debt Funds Management Europe Limited as the Collateral Manager under the Collateral Management and Administration Agreement dated 26 May 2016 (as amended by the Supplemental Trust Deed) between, *inter alios*, the Issuer and the Collateral Manager.

Blackstone / GSO Debt Funds Management Europe Limited

Blackstone / GSO Debt Funds Management Europe Limited ("**DFME**") is a limited liability company incorporated in Ireland (registered number 349646) with its registered office at Arthur Cox, 10 Earlsfort Terrace, Dublin 2, Ireland, and acts as Collateral Manager in accordance with the terms of the Collateral Management and Administration Agreement. DFME was established in November 2001.

All portfolio managers have relevant experience in accountancy, banking, asset management or investment funds.

DFME is authorised under Regulation 8 (3) and deemed authorised under Regulation 5 (2) of the Statutory Instrument No. 375/2017 European Union (Markets in Financial Instruments) Regulations 2017 to provide investment services.

Overview of The Blackstone Group

DFME is an Affiliate of The Blackstone Group L.P. (together with its Affiliates, "**The Blackstone Group**") (NYSE: BX; www.blackstone.com). The Blackstone Group, a global investment and advisory firm, was founded in 1985. Through its different investment businesses, as of 31 December 2017, The Blackstone Group has total assets under management of over U.S.$434.1 billion. This is comprised of approximately U.S.$105.6 billion in corporate private equity, approximately U.S.$115.3 billion in real estate funds, approximately U.S.$75.1 billion in hedge fund solutions and approximately U.S.$138.1 billion in credit oriented alternative asset strategies, which includes U.S.$22.5 billion of Blackstone Insurance Solutions and U.S.$10.8 billion of Harvest Fund Advisors acquired assets under management. The Blackstone Group's core businesses include the management of corporate private equity funds, real estate funds, funds of hedge funds, mezzanine funds, senior debt vehicles, proprietary hedge funds and closed end mutual funds.

Overview of GSO Capital Partners LP

DFME is an affiliate of GSO Capital Partners LP, an alternative asset manager specialising in the leveraged finance marketplace with approximately U.S.$104.9 billion in assets under management as of 31 December 2017 and offices in New York, Dublin, London and Houston. GSO Capital Partners LP was founded in July 2005 by Bennett Goodman, J. Albert "Tripp" Smith and Douglas Ostrover. GSO Capital Partners LP draws on the skills and experience of its worldwide employee base to invest in a broad array of public and private securities across multiple investment strategies. Key areas of focus include leveraged loans, distressed investments, special situations, capital

structure arbitrage, mezzanine securities and private equity. GSO Capital Partners LP manages capital on behalf of insurance companies, banks, pension funds, endowments, foundations, family offices and funds of funds.

In March 2008, affiliates of The Blackstone Group acquired a controlling interest in GSO Capital Partners LP and its affiliates, including DFME (the "**Acquisition**"). This resulted in the formation of one of the largest integrated credit platforms in the alternative asset management business, with over U.S.$21.0 billion of total assets under management at the time of the Acquisition. Following the Acquisition, employees of GSO Capital Partners LP and The Blackstone Group or its affiliates which historically provided services to each of DFME and Blackstone Debt Advisors L.P. ("**BDA**"), an affiliate of The Blackstone Group which was formed to manage a series of structured vehicles primarily investing in senior secured loans, respectively, including those employees responsible for the day to day operations of each of DFME and BDA, are providing similar services to both DFME and BDA.

In addition to currently serving as collateral manager to the Issuer with respect to the Collateral Obligations, DFME or an affiliate currently also serves as collateral manager, or investment manager, adviser or sub-adviser, as applicable, to (i) U.S. dollar and Euro denominated collateralised loan obligation vehicles, (ii) listed and unlisted investment companies (including closed end funds, business development companies and an exchange-traded fund), (iii) multiple separately managed portfolios of senior secured bank loans and (iv) other investment vehicles.

Strategic Opportunity

The Blackstone Group's management of portfolios consisting of leveraged loans is a natural extension of the firm's experience across all its existing lines of business. In addition to The Blackstone Group's experience investing in senior secured loans as described above, it is able to provide benefits from its activity in private equity, real estate, distressed debt and mezzanine investing. This experience is available to DFME as it positions the Issuer's asset mix and as it determines the credit characteristics of industries and borrowers. Through its private equity and broader debt investment activities, The Blackstone Group has reviewed many investment opportunities across many industries. Access to this historical perspective affords the ability to identify challenges for particular industries and assess the realistic growth opportunities for specific goods and services. With this insight, DFME believes it is well positioned to make insightful industry forecasts and apply those forecasts to particular investment opportunities for specific issuers.

Management of Collateral Obligations

As the Collateral Manager, DFME is responsible for selecting and monitoring the performance of the Collateral Obligations. DFME's sale and purchase decisions (with certain exceptions) are reviewed and approved by an investment committee (the "**Investment Committee**"). The Investment Committee emphasises a consensus approach to decision making among the members of the committee.

Investment Strategy

DFME manages the Portfolio using fundamental and technical analysis subject to the reinvestment criteria and other relevant criteria set forth in the Collateral Management and Administration Agreement. DFME's objective in managing the Portfolio is principal preservation through credit analysis and portfolio diversification. In order to achieve these objectives, DFME maintains a defensive approach towards its investments by emphasising risk control through: (i) undertaking comprehensive due diligence and credit analysis, (ii) careful portfolio construction with an emphasis on diversification, (iii) maintaining on-going monitoring of credits and sectors by research analysts and (iv) portfolio managers' monitoring of portfolios, market conditions and transaction structure with a view towards anticipating positive and negative credit events. DFME also considers it a priority in meeting its objectives that it has and maintains a strong and experienced management team that understands investing in credit within structural constraints.

Comprehensive Due Diligence and Credit Analysis

Investment decisions by DFME are based on rigorous credit review and relative value analysis performed by the research analysts, the portfolio managers and the traders. Potential investments are analysed on the merits of the

individual company relative to its position in the industry and the general strength of the industry within the context of the overall economy. Credit analysis includes, but may not be limited to, an analysis of the key drivers of revenue, expense, cash flow and sources and uses of working capital. Research analysts will prepare a formal credit memorandum that documents an investment hypothesis and supporting information on, among other things, due diligence performed, review of historical operational and financial information and the industry status of such potential investment, information presented in bank meetings, offering memoranda, management meetings and modelling of "down-side" financial scenarios. When deemed appropriate, the due diligence process may include interviews with management and controlling shareholder(s), review of external and proprietary research and on-site visits.

Investment Committee and Investment Process

New investment opportunities are pre-reviewed by a combination of Investment Committee members and the relevant research analyst to assess general quality, value and fit relative to the needs of each portfolio. Assets that are viewed favourably are then further evaluated by the research analyst, who will then prepare a formal credit memorandum and, if appropriate, recommend the asset to the Investment Committee. The Investment Committee also takes into consideration information from traders who are responsible for contact with the primary and secondary desks within the dealer community and for providing an opinion to the Investment Committee regarding the liquidity of the Collateral Obligations or assets under consideration for inclusion in the Collateral Obligations. DFME will recommend an asset purchase only upon unanimous agreement by the Investment Committee. The Investment Committee meets as often as is necessary to discuss potential new investments and existing positions whenever action is required. As part of its investment decision, the Investment Committee also takes into consideration an analysis of a Collateral Obligation's potential impact on the portfolio's structure.

Investment Monitoring and Risk Management

Research analysts and portfolio managers maintain the credit monitoring process. Individual investment performance is benchmarked against the initial investment hypothesis giving consideration to new financial information, market news, price or other events. As part of an overall risk management strategy, a "Credit Watch List" is maintained and monitored which is derived from general market information including security prices, company press releases, news and statements and ongoing due diligence. Data from the "Credit Watch List" is also used as part of its investment decision process to forecast the occurrence of specific credit events and model the impact of credit events on a portfolio, given the structure of the related investment vehicle. When deemed appropriate, ongoing monitoring may include: meetings with management and advisers, obtaining a seat on committees and seeking new investors/capital. In performing credit monitoring processes, various software, publications and third party monitoring services may be used.

Biographies of the Members of the Investment Committee

Alex Leonard is a Managing Director, Co-Head of GSO Capital's European Customised Credit Strategies business ("**CCS Europe**") and a Senior Portfolio Manager. He is also responsible for overseeing CCS's European capital markets activities. Mr. Leonard sits on CCS's European Syndicated Credit Investment Committee, the CCS Management Committee and the Global Structured Credit Investment Committee, with regards to European investments. Mr. Leonard joined GSO at the time of GSO's acquisition of Harbourmaster Capital Management Limited ("**Harbourmaster**") in 2012. Prior to that, Mr. Leonard was a Director and Co-Head of Portfolio Management and Trading at Harbourmaster, primarily responsible for fund structuring, portfolio management and trading. Before joining Harbourmaster in March 2006, Mr. Leonard was a Director at Depfa with responsibility for establishing, structuring and management of Depfa's on balance sheet public sector asset CDO programme. Prior to joining Depfa, Mr. Leonard worked for five years as a Senior Structurer and latterly as Co-Head of Euro Capital Structures ("**ECS**"), the structuring team for the UniCredit Group. At ECS, he had responsibility for structuring deals across a wide variety of asset classes, both real and synthetic, including corporate bank loans, non-performing loans and CLOs. Prior to joining ECS, Mr. Leonard worked as a quantitative analyst in ING Barings and Airbus Industries' aerospace finance team. Mr. Leonard received a M.A. in Economics from University College Dublin and an M.B.A. with distinction from Trinity College in Dublin.

Fiona O'Connor is a Managing Director, Co-Head of CCS Europe and Head of European Credit Research. She also sits on CCS's European Syndicated Credit Investment Committee and is a member of the CCS Management Committee. Ms. O'Connor joined GSO at the time of GSO's acquisition of Harbourmaster in 2012. Prior to that, Ms. O'Connor was Head of Credit for Harbourmaster for five years and ran a team of credit analysts responsible for all aspects of credit origination, investment selection and ongoing monitoring of its €7.5 billion portfolio of leveraged loans. Ms. O'Connor oversaw Harbourmaster's involvement in a number of restructurings and work outs (many where they were appointed to the steering committee). Prior to joining Harbourmaster, Ms. O'Connor worked for Bank of Ireland, Dublin, as a Director in its Acquisition Finance Origination group and previously within its Project Finance division. Responsibilities within Project Finance in the latter years included establishing and running its Portfolio Management Unit. Prior to joining Bank of Ireland, Ms. O'Connor worked in Corporate Credit in Australia & New Zealand Bank (ANZ) in New York and as a credit analyst in AIB in New York. Ms. O'Connor received a Bachelor of Commerce from University College Dublin and a Master's in Business Studies from Michael Smurfit Graduate School of Business.

David Barry is a Principal within CCS Europe and European credit research analyst involved with the ongoing analysis and evaluation of primary and secondary fixed income investments Mr. Barry also sits on CCS's European Syndicated Credit Investment Committee. Mr. Barry joined GSO at the time of GSO's acquisition of Harbourmaster in 2012. Prior to that, Mr. Barry worked as a Director within the Investment Team at Harbourmaster for five years where his primary responsibilities included analysing investment opportunities as well as representing Harbourmaster on restructurings and workouts. Mr. Barry received a Bachelor of Commerce in Banking and Finance from University College Dublin.

Louise Somers is a Principal and Deputy Head of European Credit Research involved in the ongoing analysis and evaluation of primary and secondary fixed income investments. Ms. Somers sits on CCS's European Syndicated Credit Investment Committee. Ms. Somers joined GSO at the time of GSO's acquisition of Harbourmaster in 2012. Prior to that, Ms. Somers worked as a credit analyst at Harbourmaster for over six years. In addition to ongoing credit analysis, Ms. Somers is actively involved in a number of restructurings. Prior to working at Harbourmaster, Ms. Somers worked in audit at Ernst & Young having trained as a Chartered Accountant. Ms. Somers received a Bachelor of Commerce from University College Dublin and is a Chartered Accountant.

John Wrafter is a Principal within CCS Europe and a portfolio manager for CCS's European commingled funds. Mr. Wrafter is also responsible for CCS's European secondary trading activity sit on CCS's European Syndicated Credit Investment Committee. Mr. Wrafter joined GSO at the time of GSO's acquisition of Harbourmaster in 2012. Prior to that, Mr. Wrafter was a Senior Analyst in the Portfolio Management Group at Harbourmaster where his main responsibility was to support the Portfolio Managers for the various Funds under management at Harbourmaster. Mr. Wrafter was also involved in Investor Relations, Client Due Diligence, Capital Formation and Fund Marketing. Prior to joining Harbourmaster, Mr. Wrafter worked at Bank of New York Mellon/JP Morgan Global Corporate Trust where he was responsible for various CDO Transactions. Mr. Wrafter has also spent five years working in New York, primarily trading the US Treasury and Foreign Exchange Markets. Mr. Wrafter received a Bachelor of Commerce Degree and a Masters of Business Studies Degree in Finance from University College Dublin.

Although the persons described above are currently employed by The Blackstone Group and are engaged in the activities of DFME, such persons may not necessarily continue to be employed by The Blackstone Group during the entire term of the Collateral Management and Administration Agreement and, if so employed, may not remain engaged in the activities of DFME.

DESCRIPTION OF BGCF AND THE RETENTION REQUIREMENTS

The information appearing in the section entitled "EU 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.

The information appearing in the section entitled "Description of BGCF and its Business" below has been prepared by the Collateral Manager and has not been independently verified by the Issuer, the Initial Purchaser, the Sole Arranger or any other party. None of the Initial Purchaser, the Sole Arranger or any other party other than the Collateral Manager assumes any responsibility for the accuracy or completeness of such information. The Issuer confirms that the information in this section has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by BGCF, no facts have been omitted which would render the reproduced information inaccurate or misleading.

None of Barclays Bank PLC nor any person who controls it or any director, officer, employee, agent or affiliate shall have any responsibility, for determining the proper characterisation of potential investors for the requirements of the exemption provided for in Section __.20 of the U.S. Risk Retention Rules or for determining the availability of the exemption provided for in the Section __.20 of the U.S. Risk Retention Rules, and none of Barclays Bank PLC nor any person who controls it or any director, officer, employee, agent or affiliate of Barclays Bank PLC accepts any liability or responsibility whatsoever for any such determination. Barclays Bank PLC shall not be liable in connection with any failure by the Collateral Manager and BGCF to satisfy the exemption provided for in Section __.20 of the U.S. Risk Retention Rules requirements.

General

BGCF believes that, by creating an opportunity for its mixture of equity and debt providers to participate on a "wholesale" basis in a loan origination company which also purchases a portion of the subordinated tranche of debt in collateralised loan obligation transactions it establishes, it has the ability to provide (and creates the opportunity for its debt and equity providers to realise) an attractive return on its debt and equity (as applicable).

In consideration of BGCF's role in establishing the transaction described herein, the Collateral Manager rebates to BGCF up to 20.0 per cent. of the Collateral Management Fees (excluding the Incentive Collateral Management Fee) that the Collateral Manager earns in its capacity as collateral manager to the Issuer. For further information see "*Risk Factors – Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Collateral Manager, BGCF and their Affiliates*". After the deduction of all costs (calculated at arm's length) attributable to BGCF, it is expected that the net rebate may be at least 10.0 per cent. of the Collateral Management Fees (excluding the Incentive Collateral Management Fee).

BGCF's own role in establishing collateralised loan obligation transactions which the Collateral Manager will then manage, will allow the Collateral Manager to continue to grow its collateral management business and receive fees for its services.

Retention Requirements

EU Retention Requirements

On 26 May 2016, BGCF executed the Retention Undertaking Letter addressed to the Issuer, the Initial Purchaser, the Trustee and the Collateral Administrator.

BGCF holds the Retention Notes, as described below, in its capacity as an "originator" for the purposes of the Retention Requirements. Pursuant to the Eligibility Criteria, the Issuer may only acquire a Collateral Obligation if, in certain circumstances and immediately following such purchase, more than 50 per cent. of the Collateral Principal Amount consists of Collateral Obligations and Eligible Investments which, pursuant to and in accordance with the

requirements of the definition of Originator Requirement (and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition), were acquired from BGCF.

Pursuant to the Retention Undertaking Letter, BGCF, for the benefit of the Issuer, the Initial Purchaser, the Trustee and the Collateral Administrator:

(a) acquired on 26 May 2016 and has undertaken to hold on an ongoing basis for so long as any Class of Notes remains Outstanding, a material net economic interest in the first loss tranche of not less than 5 per cent. of the nominal value of the securitised exposures through the purchase and retention of Subordinated Notes with an original Principal Amount Outstanding (such original Principal Amount Outstanding calculated as of the date of issuance of such Subordinated Notes) equal to or greater than 5 per cent. of the greater of the Target Par Amount and the Collateral Principal Amount on the relevant date of determination,

(the "**Retention Notes**");

(b) agreed not to sell, hedge or otherwise mitigate its credit risk under or associated with the Retention Notes, except to the extent permitted by the Retention Requirements;

(c) subject to any regulatory requirements, agreed:

(i) to take such further reasonable action, provide such information (subject to any duty of confidentiality), on a confidential basis, and enter into such other agreements as may reasonably be required to satisfy the Retention Requirements; and

(ii) to provide to the Issuer, on a confidential basis, information in the possession of BGCF relating to its holding of the Retention Notes, at the cost and expense 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) agreed to:

(i) confirm in writing promptly upon the request of the Trustee, the Collateral Administrator, the Initial Purchaser or the Issuer, in each case, to such party making such request; and

(ii) confirm in writing to the Collateral Administrator:

(A) in relation to months where there will be a Payment Date, on or before the *fifteenth* calendar day of each month; and

(B) in relation to months where there will not be a Payment Date, on or before the tenth calendar day of each such month,

in each case, for the purposes of inclusion of such confirmation in each Monthly Report, its continued compliance with the covenants set out at paragraphs (a) and (b) above;

(e) undertook and agreed that in relation to every Collateral Obligation that it sells or transfers to the Issuer, that it either:

(i) purchased or will purchase such obligation for its own account prior to selling or transferring such obligation to the Issuer; or

(ii) either itself or through related entities, directly or indirectly, was involved or will be involved in the original agreement which created or will create such obligation;

(f) agreed that it shall promptly notify the Issuer, the Trustee and the Collateral Administrator if for any reason it:

(i) ceases to hold the Retention Notes in accordance with (a) above; or

(ii) fails to comply with the agreements and covenants (as applicable) set out in (b) or (e) above in any way or (c) above in any material way;

(g) acknowledged and confirmed that BGCF established the transaction contemplated by the Transaction Documents and appointed the Initial Purchaser to provide certain specific services in order to assist with such establishment; and

(h) been deemed to represent on a continuous basis while any Notes remain Outstanding that (as of the time of such deemed representations):

(i) it is not an entity that has been established or that operates for the sole purpose of securitising exposures; and

(ii) it has the capacity to meet a payment obligation from resources not related to the exposures it securitises.

BGCF shall be permitted to transfer the Retention Notes to the extent such transfer would not in and of itself cause the transaction described in this Offering Circular to be non-compliant with the Retention Requirements.

Pursuant to the Supplemental Trust Deed to be signed in connection with the Refinancing, BGCF will give the benefit of its representations and covenants in the Retention Undertaking Letter to Barclays Bank PLC (as the 2018 Initial Purchaser).

Prospective investors should consider the discussion in "Risk Factors –Regulatory Initiatives" above.

U.S. Credit Risk Retention

BGCF and the Collateral Manager do not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of compliance with the U.S. Risk Retention Rules, but rather intend to rely on an exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions that meet certain requirements. See "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention*".

Description of BGCF and its Business

General Information

General

Blackstone / GSO Corporate Funding Designated Activity Company ("**BGCF**"), was incorporated in Ireland on 16 April 2014, under the Companies Acts 1963 to 2013 (as amended) (registration number 542626). The registered office and principal place of business of BGCF is 2nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland. The statutory records of BGCF are kept at this address. BGCF operates and issues shares in accordance with its Constitution and the Irish Companies Act 2014 and ordinances and regulations made thereunder and has no subsidiaries or employees. BGCF has an unlimited life.

BGCF has commenced operations and its accounting period ends on 31 December of each year.

The auditors of BGCF are Deloitte of Earlsfort Terrace, Dublin 2, Ireland, who are chartered accountants and are members of the Institute of Chartered Accountants of Ireland and registered auditors qualified in practice in Ireland.

BGCF's annual report and accounts will be prepared according to IFRS.

Share Capital

The current share capital of BGCF consists of the following:

Share Class	**Number issued**	**Nominal Value of each share**	**Share Premium**
Ordinary	200	€1	N/A

Directors

BGCF's articles of association provide that its board of directors will consist of at least two directors.

The directors of BGCF as at the date of this Offering Circular are Anne Flood, Bronwyn Wright, Neil Clifford, Alan Kerr, Fergal O'Leary and Aogán Foley. The directors of BGCF may be contacted at 2nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland.

The Company Secretary is Intertrust Management Ireland Limited of 2nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland.

Biographies of the Directors of BGCF

Neil Clifford

Mr Clifford is an experienced investment professional and is currently a Director at Carne Global Financial Services, a provider of fund governance and management company solutions. In addition to this, he also acts as a Director on a number of third party alternative investment funds and investment vehicles. Mr Clifford joined Carne from Irish Life Investment Managers (April 2006 - September 2014), where he was Head of Alternative Investments. Prior to this, Mr Clifford worked as a Senior Equity Analyst for Goodbody Stockbrokers (September 2000 - April 2006). He began his career as an engineer, spending over 8 years working in a variety of project management roles with a number of leading engineering and telecoms firms. He holds a Bachelor of Electrical Engineering degree from University College Cork and a Master of Business Administration degree from the Smurfit School of Business, University College, Dublin. He has also attained the professional qualifications of Chartered Alternative Investment Analyst (CAIA) and Financial Risk Manager (FRM – Global Association of Risk Professionals).

Anne Flood

Ms. Flood is Managing Director of Intertrust Management Ireland and works with clients and business partners to provide a tailored corporate administration services to a wide variety of structures established by private equity funds, collateral managers, investment banks, aviation leasing companies and alternative investment funds. Ms. Flood joined Intertrust on its acquisition of Walkers Management Services in 2012, where she had been Senior Vice President having established and led its SPV Management Services business in Dublin. Previously Ms. Flood held senior roles with AIB Capital Markets in its International Financial Services division, most recently as head of its Structured Finance and Asset Finance Services team. Prior to that worked for a number of years as a financial accountant with ORIX Aviation. Ms. Flood provides non-executive directorship services to companies engaged in structured finance, aviation leasing and finance, regulated Qualifying Alternative Investment Funds, as well as a range of corporate and holding company structures. Ms. Flood is a member of the Chartered Institute of Management Accountants and holds a Bachelor of Science in Management from Trinity College, Dublin. Ms. Flood is also a member of the Institute of Directors in Ireland.

Aogán Foley

Mr. Foley has been Managing Director of Incisive Capital Management ("**ICM**") since 2004. ICM is an investment manager specialising in credit investments, and was purchased by Mr. Foley from HVB AG in November, 2007. Prior to this from 2001 to 2003, Mr Foley was Chief Executive Officer and Director, West End Capital Management Dublin ("**WECM**"). Through WECM, he designed and set up a credit investment vehicle, Rathgar Capital Corporation ("**RCC**") in December 2001. RCC was rated by Moody's and Standard and Poor's and was the first such vehicle to be set up outside London and New York at the time. From 1999 to 2001, he was Head of Credit Structuring, General Re Financial Products ("**GRFP**") where he was responsible for designing and structuring credit products for GRFP in Europe. From 1995-1999, he held a number of positions, latterly as Head of Fixed Income Structured Finance for Lehman Brothers International (Europe) in London. He is a Chartered Accountant by training.

Alan Kerr

Mr. Kerr is an experienced loan and high yield market investor. He co-founded Harbourmaster Capital Management Limited ("**Harbourmaster**") in 2001. At Harbourmaster Mr. Kerr was primarily responsible for portfolio management and business development, and from 2004 overall firm management as managing director / co-head of the Harbourmaster business. Mr. Kerr joined The Blackstone Group ("**Blackstone**") on the acquisition of Harbourmaster in the first quarter of 2012. At Blackstone, Mr. Kerr was a senior managing director and responsible for overseeing the investments in leveraged loans, high yield bonds and structured credit across various investment strategies of GSO Capital Partners LP's ("**GSO**") European Customised Credit Strategies business. Mr. Kerr was also a portfolio manager for GSO's European direct lending fund and served on various management, risk, credit and other committees of GSO and Blackstone. In the first quarter of 2017 Mr. Kerr notified Blackstone of his intention to leave GSO, remaining as senior advisor to Blackstone until December 2017. Mr. Kerr's early career was with Ernst & Young. He is a chartered accountant and has M.Acc and B.Comm degrees from the National University of Ireland, University College Dublin.

Fergal O'Leary

Mr O'Leary is currently a director of Chapel Road Management Company Limited, a commercial property investment company, Latchok Limited, European and Global Investments, Solas OLED Ltd, Aris Technologies Limited, CapVest Irish Partners Limited, Carlough ICAV and IRE Real Estate ICAV. He has been a senior international investment banking executive with diverse financial services and capital markets experience having worked for Citi Global Markets, Lehman Brothers and ABN Amro. He was responsible for fixed income structured product sales for Ireland as well as fixed income rate and credit sales previously. He has been a Managing Director and executive board member of Glas Securities Limited, a Central Bank of Ireland regulated firm. Between 2001 and 2009, he was a non-executive board member of Citigroup Global Markets Asia Capital Corporation Limited. Mr O'Leary holds a Bachelor of Arts in Economics from the University College Dublin and an M.Sc. in Investment & Treasury from Dublin City University. He also holds a Professional Diploma in Financial Advice.

Bronwyn Wright

Ms. Wright is a former Managing Director and was Head of Securities and Fund Services for Citi Ireland. In that position, she was responsible for the management and strategic direction of the securities and fund services business which included funds, custody, security finance and global agency and trust. Due to her role in managing Citi's European fiduciary business, Ms. Wright has extensive knowledge of regulatory requirements and best market practice in the UK, Luxembourg, Jersey, Germany and Ireland. Currently Ms. Wright acts as an independent director to a number of Irish collective investment schemes.

Ms. Wright holds a degree in Economics and Politics as well as a Masters degree in Economics from University College Dublin. Ms. Wright is past chairperson of the Irish Funds Industry Association committee for Trustee Services. Ms. Wright is Irish resident.

Sources and Uses of Funding

BGCF sources (or intends to source) its funding from a variety of debt and equity instruments. The sources of funding will be available for the following purposes:

(a) in certain circumstances for investment in assets which will form part of the BGCF Portfolio (as defined below);

(b) in certain circumstances for the payment of costs, expenses, third party agent/adviser fees and other liabilities of BGCF;

(c) for investment in other retention companies and loan warehouses; and

(d) in certain circumstances to absorb any realised market value and/or credit losses on the BGCF Portfolio from time to time,

(together, the "**Purposes**").

BGCF's sources (or intended sources) of funding consist of (but are not limited to) the following:

Share Capital

BGCF's share capital will be available for use in connection with the Purposes (see "*General Information – Share Capital*" above).

Profit Participating Notes

BGCF has entered into a profit participating note issuing and purchase agreement dated 1 July 2014 with (1) Blackstone / GSO Loan Financing Limited, (2) Blackstone / GSO Debt Funds Management Europe Limited (as service support provider), (3) Intertrust Management Ireland Limited (as registrar), (4) Blackstone / GSO Loan Financing (Luxembourg) S.À R.L. and (5) VP Fund Services, LLC. (as calculation agent and administrator), as amended on 23 July 2014, 23 February 2015, 6 May 2015 and 20 January 2016, and as amended and restated on 3 February 2016, 11 May 2016 and 25 October 2016 (the "**EU PPNIPA**"). The EU PPNIPA allows BGCF to issue up to EUR 2,000,000,000 profit participating notes for use in connection with the purposes set out in the EU PPNIPA.

BGCF has entered into a profit participating note issuing and purchase agreement dated 25 October 2016 with (1) Blackstone / GSO Debt Funds Management Europe II Limited, acting solely in its capacity as manager of Blackstone / GSO Corporate Funding EUR Fund, a sub-fund of Blackstone / GSO Investment Funds, (2) Blackstone / GSO Debt Funds Management Europe Limited (as service support provider), (3) Intertrust Management Ireland Limited (as registrar) and (4) VP Fund Services, LLC (as calculation agent and administrator) (the "**EUR Fund QIAIF PPNIPA**"). The EUR Fund QIAIF PPNIPA allows BGCF to issue up to EUR 2,000,000,000 profit participating notes for use in connection with the purposes set out in the EUR Fund QIAIF PPNIPA.

BGCF has entered into a profit participating note issuing and purchase agreement dated 25 October 2016 with (1) Blackstone / GSO Debt Funds Management Europe II Limited, acting solely in its capacity as manager of Blackstone / GSO Corporate Funding USD Fund, a sub-fund of Blackstone / GSO Investment Funds, (2) Blackstone / GSO Debt Funds Management Europe Limited (as service support provider), (3) Intertrust Management Ireland Limited (as registrar) and (4) VP Fund Services, LLC (as calculation agent and administrator) (the "**USD Fund QIAIF PPNIPA**"). The USD Fund QIAIF PPNIPA allows BGCF to issue up to EUR 2,000,000,000 profit participating notes for use in connection with the purposes set out in the USD Fund QIAIF PPNIPA.

BGCF may issue further profit participating notes denominated in either EUR or USD from time to time.

Multi-Currency Borrowings

On 8 August 2014, BGCF issued variable funding notes ("**VFNs**") to four bank counterparties pursuant to a variable funding note issuing and purchasing agreement (the "**VFN Agreement**"). On 1 June 2017, the VFN Agreement was refinanced and replaced by a facility agreement (the "**Facility Agreement**" and, together with the VFNs, the "**Multi-Currency Borrowings**") with three bank counterparties which, subject to the satisfaction of certain conditions, allows BGCF to draw funding amounts of up to €450,000,000 in aggregate (or the Euro equivalent) in Euro, pounds sterling and/or United States dollars for use in connection with certain of the Purposes. The Facility Agreement may be amended, restated and/or refinanced from time-to-time.

Factual Data Regarding BGCF's Business

BGCF has purchased and held material loan positions for its own account in the BGCF Portfolio (as defined below) for periods of time ranging from less than one month to more than twelve months. As further detailed below in the section entitled "*Market risk reduction strategy of BGCF*", BGCF may from time to time enter into Forward Purchase Agreements with CLO issuers in respect of assets in the BGCF Portfolio. Notwithstanding this: (a) as at 31 August 2014, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €528.9 million, (b) as at 31 October 2014, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €548.2 million, (c) as at 31 December 2014, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €497.9 million, (d) as at 31 March 2015, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €267.0 million, (e) as at 30 June 2015, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €311.9 million, (f) as at 31 December 2015, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €153.7 million, (g) as at 31 November 2016, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €257 million and (h) as at 31 March 2017, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €141 million.

BGCF's payment obligations in respect of the Facility Agreement are satisfied by, among other sources, interest income on the loan assets which it holds in the BGCF Portfolio (and not from interest receipts on the CLO Securities it holds or assets added to Forward Purchase Agreements). To date, BGCF has paid interest in respect of its Multi-Currency Borrowings of approximately €17.2 million in total, all of which was paid from interest income earned from the BGCF Portfolio. In addition, BGCF's share capital, the proceeds from the profit participating notes it has issued and drawings under the Facility Agreement, all continue to be available to meet its liabilities.

BGCF Investment Objective, Policy and Strategy

Investment Objective

BGCF's investment objective, which is subject to change from time to time, is to provide stable income returns on debt it issues, whilst growing the capital value of its investment portfolio by exposure to a portfolio of predominantly floating rate senior secured loans and by holding securities in collateralised loan obligation transactions ("**CLOs**") which it establishes ("**CLO Securities**"). Such exposures may be made directly or through investments in loan warehouses or an investment in another risk retention company.

If BGCF decides to establish a CLO, it will commit to buy and hold to maturity: (i) an amount of the most subordinated tranche of debt issued by such CLO (which may be represented by a debt or equity security) ("**CLO Income Notes**") equal to at least 5.0 per cent. of the maximum portfolio principal amount of the assets in the CLO; or (ii) CLO Securities of no less than 5.0 per cent. of the nominal value of each of the tranches sold or transferred to investors. It is anticipated that BGCF will eventually retain CLO Securities (including, for the avoidance of doubt, CLO Income Notes) in a number of CLOs, and in addition will continue to directly hold floating rate senior secured loans.

Investment Policy and Strategy

BGCF's investment policy, which is subject to change from time to time, is to invest (directly and/or indirectly through one or more risk retention companies) predominantly in a diverse portfolio of senior secured loans (including broadly syndicated, middle market or other loans) (such investments being made directly or through investments in loan warehouses or other risk retention companies) and in CLO Securities, and generate attractive risk-adjusted returns from such portfolios.

BGCF intends to pursue its investment policy by investing proceeds from its sources of financing (less any amounts retained for working capital purposes) in:

(a) senior secured loans, CLO Securities and loan warehouses; or

(b) other risk retention companies which, themselves, invest predominantly in senior secured loans, CLO Securities and loan warehouses,

along with certain other investments (together, the "**BGCF Portfolio**").

BGCF (or its service providers on its behalf) will perform fundamental credit research in order to dictate name selection and sector weights, backstopped by BGCF's constant portfolio monitoring and risk oversight. BGCF will typically look to diversify its portfolios to avoid the risk that any one obligor or industry will adversely impact overall returns. BGCF also places an emphasis on loan portfolio liquidity to ensure that if its credit outlook changes, it is free to respond quickly and effectively to reduce or eliminate risk in the BGCF Portfolio.

Where senior secured loans are held directly by BGCF, it is its intention that the senior secured loans in the BGCF Portfolio are actively managed to minimise default risk and potential loss through comprehensive credit analysis performed by BGCF or its service providers.

BGCF infrastructure

BGCF is a self-managed origination company. It has entered into a variety of arrangements, which may be amended, modified or supplemented from time to time, in order to assist it in effectively originating and managing its portfolio on an ongoing basis. The following are descriptions of those which are material to BGCF:

Portfolio Service Support Agreement

BGCF has entered into a portfolio service support agreement (as amended, the "**PSSA**") with Blackstone / GSO Debt Funds Management Europe Limited ("**DFME**") pursuant to which DFME is appointed by BGCF to provide certain service support, credit research and analysis services in connection with the origination and ongoing management of the BGCF Portfolio by BGCF. BGCF is self-managed. However, under the PSSA, if BGCF so requires, DFME will provide certain assigned personnel to enable BGCF to make necessary business and investment decisions and carry on the day-to-day management of the BGCF Portfolio (the "**Assigned Resources**").

Initial Assigned Resources

The Assigned Resources list (the constitution of which may change from time to time) currently consists of the following:

Alex Leonard

Alex Leonard is a Managing Director, Co-Head of GSO Capital's European Customised Credit Strategies business ("**CCS Europe**"), and a Senior Portfolio Manager. He is also responsible for overseeing CCS's European capital markets activities. Mr. Leonard sits on CCS's European Syndicated Credit Investment Committee, the CCS Management Committee and the Global Structured Credit Investment Committee, with regards to European investments. Mr. Leonard joined GSO at the time of GSO's acquisition of Harbourmaster Capital Management

Limited ("**Harbourmaster**") in 2012. Prior to that, Mr. Leonard was a Director and Co-Head of Portfolio Management and Trading at Harbourmaster, primarily responsible for fund structuring, portfolio management and trading. Before joining Harbourmaster in March 2006, Mr. Leonard was a Director at Depfa with responsibility for establishing, structuring and management of Depfa's on balance sheet public sector asset CDO programme. Prior to joining Depfa, Mr. Leonard worked for five years as a Senior Structurer and latterly as Co-Head of Euro Capital Structures ("**ECS**"), the structuring team for the UniCredit Group. At ECS, he had responsibility for structuring deals across a wide variety of asset classes, both real and synthetic, including corporate bank loans, non-performing loans and CLOs. Prior to joining ECS, Mr. Leonard worked as a quantitative analyst in ING Barings and Airbus Industries' aerospace finance team. Mr. Leonard received a M.A. in Economics from University College Dublin and an M.B.A. with distinction from Trinity College in Dublin.

Fiona O'Connor

Fiona O'Connor is a Managing Director, Co-Head of CCS Europe, and Head of European Credit Research. She also sits on CCS's European Syndicated Credit Investment Committee and is a member of the CCS Management Committee. Ms. O'Connor joined GSO at the time of GSO's acquisition of Harbourmaster in 2012. Prior to that, Ms. O'Connor was Head of Credit for Harbourmaster for five years and ran a team of credit analysts responsible for all aspects of credit origination, investment selection and ongoing monitoring of its €7.5 billion portfolio of leveraged loans. Ms. O'Connor oversaw Harbourmaster's involvement in a number of restructurings and work outs (many where they were appointed to the steering committee). Prior to joining Harbourmaster, Ms. O'Connor worked for Bank of Ireland, Dublin, as a Director in its Acquisition Finance Origination group and previously within its Project Finance division. Responsibilities within Project Finance in the latter years included establishing and running its Portfolio Management Unit. Prior to joining Bank of Ireland, Ms. O'Connor worked in Corporate Credit in Australia & New Zealand Bank (ANZ) in New York and as a credit analyst in AIB in New York. Ms. O'Connor received a Bachelor of Commerce from University College Dublin and a Master's in Business Studies from Michael Smurfit Graduate School of Business.

David Cunningham

David Cunningham is a Managing Director and a portfolio manager for GSO's European CLOs. Mr. Cunningham is also responsible for the origination of European CLOs with a focus on CLO structuring.

Mr. Cunningham joined GSO at the time of GSO's acquisition of Harbourmaster in 2012. Prior to that, Mr. Cunningham was a Director at Harbourmaster where he was part of the portfolio management group where he supported the Portfolio Managers for the CLOs under management at Harbourmaster, and was also involved in capital formation and investor relations. Prior to joining Harbourmaster in 2007, Mr. Cunningham worked as a credit analyst in WGZ Bank focusing on structured finance transactions.

Mr. Cunningham received a BE in Electronic Engineering from University College Dublin and an MSc in Financial & Industrial Mathematics from Dublin City University. Mr. Cunningham is also a CFA Charterholder and a CAIA Charterholder.

John Wrafter

John Wrafter is a Portfolio Manager and Loan Trader within GSO Capital's Customized Credit Strategies Group, part of GSO Fund Management Group Europe (which was formerly Harbourmaster prior to its acquisition by GSO in early 2012). Prior to 2012, Mr. Wrafter was Senior Analyst in the Portfolio Management Group at Harbourmaster. Mr. Wrafter was involved with guiding the day-to-day investment strategies of the Funds under management at Harbourmaster. Mr. Wrafter was also involved in investor relations, client due diligence, capital formation and fund marketing. Prior to joining Harbourmaster, Mr. Wrafter worked at Bank of New York Mellon/JP Morgan Global Corporate Trust where he was responsible for various CDO transactions. Before joining JP Morgan in 2006, Mr. Wrafter was employed as a proprietary trader for both Refco and Goldenberg & Heymeyer, with primary focus on the US Treasury and F/X Futures markets. Mr. Wrafter holds a BComm and MBS in Finance from University College Dublin. He also holds Series 7, 55, 63 and 65 licenses with FINRA.

David Marren

Mr. Marren is a Senior Vice President at the Collateral Manager. Since joining the Collateral Manager in 2012, Mr. Marren has been involved in operations involving GSO's CLO activities, including trade support, portfolio compliance and reporting and is currently Head of the Middle Office/Operations Group at the Collateral Manager. Mr. Marren was part of the team at Harbourmaster prior to its acquisition by GSO in early 2012 and was a senior member of Operations Group. Prior to joining Harbourmaster, he worked at Bank of New York Mellon / JP Morgan as a Trust Associate for various CDO transactions. Mr. Marren began his career at AIB Bank p.l.c. where he was focused on a broad range of financial products and corporate banking services.

Katherine Gunne

Ms. Gunne is a Vice President and provides portfolio management support for European CLOs and funds. Previously, she was responsible for overseeing the financial reporting and financial analysis for CCS's CLOs and European funds and accounts.

Prior to joining GSO in 2014, Ms. Gunne was a Senior Business Analyst responsible for on-boarding new clients trading alternative investments and derivatives at Citi. Ms. Gunne began her career at Merrill Lynch as a Senior Operations Analyst providing trade support for mutual funds.

Ms. Gunne received a Bachelor of Arts in Psychology from University College Dublin and a Masters of Business Studies in Finance with first class honours from Michael Smurfit Graduate School of Business. She is a CFA Charterholder and holds a Certificate in Investment Performance Management.

Internal investment procedures

The Assigned Resources will undertake the day-to-day management and investments of BGCF as overseen by the directors of BGCF. In undertaking these activities, the Assigned Resources will utilise the credit research and analysis provided by DFME under the PSSA.

Custodial Agreement

On 2 July 2014 (as may be amended, modified or supplemented from time to time), BGCF entered into a custodial agreement with Citibank, N.A. London Branch (the "**BGCF Custodian**") pursuant to which BGCF appointed the BGCF Custodian to establish a custody account in order to allow for the receipt, safekeeping and maintenance of financial assets (other than cash) which form the BGCF Portfolio from time to time.

Account Bank Agreement

On 2 July 2014 (as may be amended, modified or supplemented from time to time), BGCF entered into an account bank agreement with Citibank, N.A. London Branch (the "**BGCF Account Bank**"), pursuant to which BGCF appointed the BGCF Account Bank to open certain cash accounts. BGCF shall use such cash accounts to, amongst other things, collect distributions on the BGCF Portfolio and to deposit other cash which it holds from time to time pending investment.

Corporate Services Agreement

Intertrust Management Ireland Limited (the "**Corporate Services Provider**"), an Irish company, acts as the corporate administrator for BGCF pursuant to the terms of the corporate services agreement entered into on 15 May 2014 (as may be amended, modified or supplemented from time to time) between BGCF and the Corporate Services Provider (the "**Corporate Services Agreement**"). Pursuant to the terms of the Corporate Services Agreement, the Corporate Services Provider performs various management functions on behalf of the Issuer, including the provision of certain clerical, reporting, accounting, administrative and other services until termination of the Corporate Services Agreement.

Fund Administration Agreement

On 10 February 2016 (with the appointment taking effect on 1 March 2016), BGCF entered into a fund administration agreement with VP Fund Services, LLC. (as may be amended, modified or supplemented from time to time) (the "**Fund Administration Agreement**"). On 7 April 2017, the board of BGCF approved the novation of VP Fund Services, LLC's role from VP Fund Services LLC to Virtus Partners Fund Services Ireland Limited. Pursuant to the Fund Administration Agreement, VP Fund Services, LLC. agreed to provide BGCF with certain valuation, financial reporting, fund accounting services and calculation agency services.

Sale of originated Collateral Obligations

General principles of sales to CLOs

BGCF may periodically securitise senior secured loans in the BGCF Portfolio into CLOs:

(a) which it has established; and

(b) in which it holds the CLO Securities with the intention of complying with the Retention Requirements.

The majority of assets in the portfolio of the relevant CLOs are expected to be acquired from BGCF, being provided from the BGCF Portfolio. In relation to every asset that BGCF securitises by way of sale into a CLO, BGCF:

(a) either itself or through related entities, directly or indirectly, will have been involved in the original agreement which created or will create such asset; or

(b) will have purchased such asset for its own account prior to selling such asset to the CLO.

Market risk reduction strategy of BGCF

With a view to effectively managing its access to wholesale funding and exposure to unnecessary market price volatilities of its portfolio, BGCF may from time to time enter into (A) master forward purchase agreements ("**Master Forward Purchase Agreements**") and/or (B) funded participations ("**Funded Participations**") with CLO issuers in respect of assets in the BGCF Portfolio. Each Master Forward Purchase Agreement will be supplemented by a schedule to be updated by BGCF on each day that an asset is added or removed from the warehouse portfolio of the relevant CLO issuer ("**Schedules**" and together, with the Master Forward Purchase Agreements, the "**Forward Purchase Agreements**"). Such Forward Purchase Agreements and Funded Participations may be entered into at the same time or shortly after the origination or acquisition of the relevant BGCF Portfolio asset by BGCF, at a later date, or not at all. Settlement of any such Forward Purchase Agreements entered into prior to the closing of the relevant CLO will be conditional upon:

(a) the occurrence of the closing date of the CLO; and

(b) the assets which are the subject of the Forward Purchase Agreements remaining compliant with the relevant CLO's eligibility criteria (including that the assets are not subject to defaults or other credit impairments).

If the conditions in a Forward Purchase Agreement are not fulfilled at the relevant settlement date then the relevant assets which are the subject of such Forward Purchase Agreement will remain as part of the BGCF Portfolio.

Notwithstanding the above, BGCF may from time to time:

(a) hold assets within the BGCF Portfolio to maturity;

(b) sell assets within the BGCF Portfolio to the market; or

(c) sell assets within the BGCF Portfolio into CLOs as described above.

Whilst BGCF will provide certain assets to each CLO it decides to establish, the balance of its own assets may vary from time to time depending on, amongst other things:

(a) the availability of CLO funding generally;

(b) the required eligibility criteria and profile of CLOs which BGCF desires to establish and invest in (including a variation in the stringency of rating agency criteria on eligibility criteria and portfolio requirements and investor requirements in the CLO marketplace);

(c) any changes in legal and/or regulatory requirements on CLOs and their eligibility criteria, constitution or concentration;

(d) BGCF's view on the desired constitution of the BGCF Portfolio;

(e) decisions by BGCF on the potential yield it may achieve from holding assets in the BGCF Portfolio directly as opposed to through CLO Securities; and/or

(f) any other factors BGCF considers relevant for the effective management of the BGCF Portfolio.

TAX CONSIDERATIONS

1. General

Purchasers of Refinancing Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Refinancing Note.

POTENTIAL PURCHASERS ARE WHOLLY RESPONSIBLE FOR DETERMINING THEIR OWN TAX POSITION IN RESPECT OF THE REFINANCING NOTES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THEIR TAX POSITION ON PURCHASE, OWNERSHIP, TRANSFER OR EXERCISE OF ANY REFINANCING NOTE SHOULD CONSULT THEIR OWN TAX ADVISERS. IN PARTICULAR, NO REPRESENTATION IS MADE AS TO THE MANNER IN WHICH PAYMENTS UNDER THE REFINANCING NOTES WOULD BE CHARACTERISED BY ANY RELEVANT TAXING AUTHORITY. POTENTIAL INVESTORS SHOULD BE AWARE THAT THE RELEVANT FISCAL RULES OR THEIR INTERPRETATION MAY CHANGE, POSSIBLY WITH RETROSPECTIVE EFFECT, AND THAT THIS SUMMARY IS NOT EXHAUSTIVE. THIS SUMMARY DOES NOT CONSTITUTE LEGAL OR TAX ADVICE OR A GUARANTEE TO ANY POTENTIAL INVESTOR OF THE TAX CONSEQUENCES OF INVESTING IN THE REFINANCING NOTES.

2. Ireland Taxation

The following is a summary of the principal Irish tax consequences for individuals and companies of ownership of the Refinancing Notes based on the laws and practice of the Irish Revenue Commissioners currently in force in Ireland and may be subject to change. It deals with holders of Refinancing Notes only (for the purposes of this section (*2. Ireland Taxation*) only "**Noteholders**") who beneficially own their Refinancing Notes as an investment. Particular rules not discussed below may apply to certain classes of taxpayers holding Refinancing Notes, such as dealers in securities, trusts etc. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Refinancing Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Refinancing Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Taxation of Noteholders

Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest which should include interest payable on the Refinancing Notes.

The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Refinancing Note so long as interest paid on the relevant Refinancing Note does not come within certain new rules introduced by the Finance Act 2016 and falls within one of the following categories:

1. **Interest paid on a quoted Eurobond:** The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Refinancing Note where:

   (a) the Refinancing Notes are quoted Eurobonds i.e. securities which are issued by a company (such as the Issuer), which are listed on a recognised stock exchange (such as the Main Securities Market of the Irish Stock Exchange plc trading as Euronext Dublin) and which carry a right to interest; and

(b) the person by or through whom the payment is made is not in Ireland, or if such person is in Ireland, either:

(i) the Refinancing Notes are held in a clearing system recognised by the Irish Revenue Commissioners (Euroclear and Clearstream, Luxembourg are, amongst others, so recognised); or

(ii) the person who is the beneficial owner of the Refinancing Notes and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to a relevant person (such as a paying agent located in Ireland) in the prescribed form; and

(c) one of the following conditions is satisfied:

(i) the Noteholder is resident for tax purposes in Ireland; or

(ii) the Noteholder is subject, without any reduction computed by reference to the amount of such interest, premium or other distribution, to a tax in a relevant territory which generally applies to profits, income or gains received in that territory, by persons, from sources outside that territory; or

(iii) the Noteholder is not a company which, directly or indirectly, controls the Issuer, is controlled by the Issuer, or is controlled by a third company which also directly or indirectly controls the Issuer, and neither the Noteholder, nor any person connected with the Noteholder, is a person or persons:

(A) from whom the Issuer has acquired assets;

(B) to whom the Issuer has made loans or advances; or

(C) with whom the Issuer has entered into a swap agreement,

where the aggregate value of such assets, loans, advances or swap agreements represents not less than 75 per cent. of the assets of the Issuer; or

(iv) at the time of issue of the Refinancing Notes, the Issuer was not in possession, or aware, of any information which could reasonably be taken to indicate whether or not the beneficial owner of the Refinancing Notes would be subject to tax on any interest payments,

where the term:

"**relevant territory**" means a member state of the European Union (other than Ireland) or a country with which Ireland has signed a double tax treaty ("Relevant Territory"); and

"**swap agreement**" means any agreement, arrangement or understanding that—

(i) provides for the exchange, on a fixed or contingent basis, of one or more payments based on the value, rate or amount of one or more interest or other rates, currencies, commodities, securities, instruments of indebtedness, indices, quantitative measures, or other financial or economic interests or property of any kind, or any interest therein or based on the value thereof, and

(ii) transfers to a person who is a party to the agreement, arrangement or understanding or to a person connected with that person, in whole or in part, the

financial risk associated with a future change in any such value, rate or amount without also conveying a current or future direct or indirect ownership interest in an asset (including any enterprise or investment pool) or liability that incorporates the financial risk so transferred.

Thus, so long as the Refinancing Notes continue to be quoted on the Main Securities Market of the Irish Stock Exchange plc trading as Euronext Dublin, are held in Euroclear and Clearstream, Luxembourg, and one of the conditions set out in paragraph (c) above is met, interest on the Refinancing Notes can be paid by any paying agent acting on behalf of the Issuer free of any withholding or deduction for or on account of Irish income tax. If the Refinancing Notes continue to be quoted but cease to be held in a recognised clearing system, interest on the Refinancing Notes may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland and one of the conditions set out in paragraph (c) above is met.

2. *Interest paid by a qualifying company to certain non-residents:*

If, for any reason, the exemption referred to above ceases to apply, interest payments may still be made free of withholding tax provided that:

2.1 the Issuer remains a "qualifying company" as defined in Section 110 of the TCA and the Noteholder is a person which is resident in a Relevant Territory, and, where the recipient is a body corporate, the interest is not paid to it in connection with a trade or business carried on by it in Ireland through a branch or agency. The test of residence is determined by reference to the law of the Relevant Territory in which the Noteholder claims to be resident. The Issuer must be satisfied that the terms of the exemption are satisfied; and

2.2 one of the following conditions is satisfied:

(a) the Noteholder is a pension fund, government body or other person (which satisfies paragraph (c)(iii) above), which is resident in a Relevant Territory and which, under the laws of that territory, is exempted from tax that corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains in that territory; or

(b) the interest is subject, without any reduction computed by reference to the amount of such interest, to a tax in a Relevant Territory which corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains received in that territory, by persons, from sources outside that territory.

Encashment Tax

Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) from interest on any Refinancing Note, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any Noteholder. There is an exemption from encashment tax where the beneficial owner of the interest is not resident in Ireland and has made a declaration to this effect in the prescribed form to the encashment agent or bank.

Income Tax, PRSI and Universal Social Charge

Notwithstanding that a Noteholder may receive interest on the Refinancing Notes free of withholding tax, the Noteholder may still be liable to pay Irish tax with respect to such interest. Noteholders resident or ordinarily resident in Ireland who are individuals may be liable to pay Irish income tax, social insurance

(PRSI) contributions and the universal social charge in respect of interest they receive on the Refinancing Notes.

Interest paid on the Refinancing Notes may have an Irish source and therefore may be within the charge to Irish income tax, notwithstanding that the Noteholder is not resident in Ireland. In the case of Noteholders who are non-resident individuals such Noteholders may also be liable to pay the universal social charge in respect of interest they receive on the Refinancing Notes.

Ireland operates a self-assessment system in respect of tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

There are a number of exemptions from Irish income tax available to certain non-residents. Firstly, interest payments made by the Issuer are exempt from income tax so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA, the recipient is not resident in Ireland and is resident in a Relevant Territory and, the interest is paid out of the assets of the Issuer. Secondly, interest payments made by the Issuer in the ordinary course of its trade or business to a company are exempt from income tax provided the recipient company is not resident in Ireland and is either resident for tax purposes in a Relevant Territory which imposes a tax that generally applies to interest receivable in that territory by companies from sources outside that territory and which corresponds to income tax or corporation tax or the interest is exempted from the charge to Irish income tax under the terms of a double tax agreement which is either in force or which will come into force once all ratification procedures have been completed. Thirdly, interest paid by the Issuer free of withholding tax under the quoted Eurobond exemption is exempt from income tax where the recipient is a person not resident in Ireland and resident in a Relevant Territory or is a company not resident in Ireland which is under the control, whether directly or indirectly, of person(s) who by virtue of the law of a Relevant Territory are resident for the purposes of tax in a Relevant Territory and is not under the control of person(s) who are not so resident or is a company not resident in Ireland where the principal class of shares of the company or its 75 per cent. parent is substantially and regularly traded on a recognised stock exchange. For the purpose of these exemptions and where not specified otherwise, residence is determined under the terms of the relevant double taxation agreement or, in any other case, the law of the country in which the recipient claims to be resident. Interest falling within the above exemptions is also exempt from the universal social charge.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Refinancing Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

Relief from Irish income tax may also be available under the specific provisions of a double tax treaty between Ireland and the country of residence of the recipient.

Interest on the Refinancing Notes which does not fall within the above exemptions is within the charge to income tax, and, in the case of Noteholders who are individuals, the charge to the universal social charge. In the past the Irish Revenue Commissioners have not pursued liability to income tax in respect of persons who are not regarded as being resident in Ireland except where such persons have a taxable presence of some sort in Ireland or seek to claim any relief or repayment in respect of Irish tax. However, there can be no assurance that the Irish Revenue Commissioners will apply this treatment in the case of any Noteholder.

Capital Gains Tax

A holder of Refinancing Notes will not be subject to Irish tax on capital gains on a disposal of Refinancing Notes unless (i) such holder is either resident or ordinarily resident in Ireland or (ii) such holder carries on a trade or business in Ireland through a branch or agency in respect of which the Refinancing Notes are used or held or (iii) the Refinancing Notes cease to be listed on a stock exchange in circumstances where the Refinancing Notes derive their value or more than 50 per cent. of their value from Irish real estate, mineral rights or exploration rights.

Capital Acquisitions Tax

A gift or inheritance of Refinancing Notes will be within the charge to capital acquisitions tax (which subject to available exemptions and relief is currently levied at 33 per cent.) if either (i) the disponer or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponer is domiciled in Ireland irrespective of his residence or that of the donee/successor) on the relevant date or (ii) if the Refinancing Notes are regarded as property situate in Ireland (i.e. if the Refinancing Notes are physically located in Ireland or if the register of the Refinancing Notes is maintained in Ireland).

Stamp Duty

No stamp duty or similar tax is imposed in Ireland (on the basis of an exemption provided for in Section 85(2)(c) of the Irish Stamp Duties Consolidation Act, 1999 so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA and the proceeds of the Refinancing Notes are used in the course of the Issuer's business), on the issue, transfer or redemption of the Refinancing Notes.

3. ***United States Federal Income Taxation***

Introduction

This is a discussion of certain U.S. federal income tax consequences of the acquisition, ownership, disposition, and retirement of the Refinancing Notes. Except as expressly set out below, this discussion does not describe all of the tax consequences that may be relevant to investors in light of their particular circumstances, nor does it address any aspect of state, local or non-U.S. tax laws, alternative minimum tax or Medicare contribution tax consequences, special tax accounting rules as a result of any item of gross income with respect to the Notes being taken into account on an applicable financial statement or the possible application of U.S. federal gift or estate taxes. In particular, except as expressly set out below, this discussion does not address differing tax consequences that may apply to an investor subject to special treatment, for instance:

(i) a financial institution, insurance company, real estate investment trust, regulated investment company or grantor trust;

(ii) a dealer or trader in securities that uses a mark-to-market method of tax accounting with respect to the notes;

(iii) an investor holding notes as part of a "straddle" or integrated transaction;

(iv) a former citizen or resident of the United States;

(v) a U.S. Noteholder (as defined below) whose functional currency is not the U.S. dollar;

(vi) a tax-exempt entity; or

(vii) a partnership or other pass through entity for U.S. federal income tax purposes.

This discussion considers only investors that will hold Refinancing Notes as capital assets, is generally limited to the tax consequences to initial investors that purchase Refinancing Notes upon their initial issue at their initial issue price, and does not address tax consequences to holder of Refinanced Notes that are redeemed by the Issuer.

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

(i) a citizen or individual resident of the United States;

(ii) a corporation created or organised under the laws of the United States or any political subdivision thereof or therein; or

(iii) an estate or trust, the income of which is subject to U.S. federal income tax regardless of the source.

The term "**non-U.S. Noteholder**" means, for purposes of this discussion, a beneficial owner of a Refinancing Note, other than a partnership, that is not a U.S. Noteholder.

In the case of an investor that is a partnership for U.S. federal income tax purposes, the U.S. federal income tax treatment of such partnership and its partners will generally depend on the partnership's activities and status of the partners. Such a partner or partnership should consult its own tax advisor as to the consequences of the acquisition, ownership, disposition and retirement of the Refinancing Notes.

This discussion is based upon the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), final, temporary and proposed Treasury regulations, and administrative pronouncements and court decisions, each as available and in effect as of the date hereof. All of the foregoing are subject to change, possibly on a retroactive basis, and any such change could affect the continuing validity of this discussion. Furthermore, there are no cases or rulings by the U.S. Internal Revenue Service (the "**IRS**") addressing entities similar to the Issuer or securities similar to the Refinancing Notes. As a result, the IRS might disagree with all or part of the discussion below. No rulings will be requested of the IRS regarding whether the Issuer is engaged in a trade or business within the United States, the U.S. federal income tax characterisation of the Refinancing Notes or the other issues discussed below.

Prospective investors 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.

U.S. Federal Tax Treatment of the Issuer

The Issuer is treated as a foreign corporation for U.S. federal income tax purposes. The Issuer intends to operate so as not to be subject to U.S. federal income tax on its net income. In this regard, upon the issuance of the Refinancing Notes, the Issuer will receive an opinion of Weil, Gotshal & Manges LLP generally to the effect that, assuming compliance with the Trust Deed and the Collateral Management and Administration Agreement (as amended by the Supplemental Trust Deed), including certain tax guidelines referenced therein (the "**Tax Guidelines**"), and based upon certain factual representations made by the Issuer and/or the Collateral Manager, and subject to other customary assumptions and qualifications, although no authority exists that deals with situations substantially similar to those of the Issuer, the contemplated 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 under current law. This opinion will be based on certain assumptions and certain representations and agreements regarding the Issuer's prior activities and regarding restrictions on the future activities of the Issuer and the Collateral Manager. The Issuer intends to conduct its business in accordance with the assumptions, representations and agreements upon which such opinion is based. In complying with such assumptions, representations and agreements, the Issuer and the Collateral Manager are entitled to rely in the future upon the advice and/or opinions of their selected counsel, and the opinion of Weil, Gotshal & Manges LLP will assume that any such advice and/or opinions are correct and complete. Investors should be aware that the opinion of Weil, Gotshal & Manges LLP simply represents counsel's best judgment and is not binding on the IRS or the courts. In this regard, there are no authorities that deal with situations substantially identical to the Issuer's, and the Issuer could be treated as engaged in the conduct of a trade or business within the United States as a result of unanticipated activities, changes in law, contrary conclusions by the IRS or other causes. Failure of the Issuer to comply

with the Tax Guidelines, the Trust Deed or the Collateral Management and Administration Agreement may not give rise to a default or an Event of Default under the Trust Deed or the Collateral Management and Administration Agreement and may not give rise to a claim against the Issuer or the Collateral Manager. In the event of such a failure, the Issuer could be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes. Moreover, a change in law or its interpretation could result in the Issuer being treated as engaged in a trade or business within the United States for federal income tax purposes, or otherwise subject to U.S. federal income tax on a net income basis (notwithstanding that the Collateral Manager is acting in accordance with the Tax Guidelines).

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

U.S. Characterisation and U.S. Tax Treatment of the Refinancing Notes

Upon the issuance of the Refinancing Notes, Allen & Overy LLP will deliver an opinion generally to the effect that under current law, assuming compliance with the Transaction Documents, and based on certain assumptions and factual representations made by the Issuer and/or the Collateral Manager, the Class A-1 Notes, Class A-2 Notes, the Class B Notes and the Class C Notes will, and the Class D Notes should, be treated as debt of the Issuer for U.S. federal income tax purposes. No opinion will be given in respect of the Class E Notes, but the Issuer intends to treat the Class E Notes as debt of the Issuer for U.S. federal income tax purposes.

The Issuer has agreed and, by its acceptance of a Refinancing Note, each Noteholder of a Refinancing Note (or any interest therein) will be deemed to have agreed, to treat the Refinancing Notes as debt of the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law. The determination of whether a Refinancing Note will be treated as debt for United States federal income tax purposes is based on the facts and circumstances existing at the time the Refinancing Note is issued. Prospective investors should be aware that opinions of counsel are not binding on the IRS, and there can be no assurance that the IRS will not seek to characterise as something other than indebtedness any particular Class or Classes of the Refinancing Notes. Except as discussed under "– *Alternative Characterisation of the Refinancing Notes*" below, the balance of this discussion assumes that the Refinancing Notes of all Classes will be characterised as debt of the Issuer for U.S. federal income tax purposes.

Payments of Interest on the Refinancing Notes. A U.S. Noteholder of a Refinancing Note that uses the cash method of accounting must include in income the U.S. dollar value of Euro interest paid when received. Euro interest received is translated at the U.S. dollar spot rate of Euro on the date of receipt, regardless of whether the payment is converted into U.S. dollars on the date of receipt. A cash method U.S. Noteholder therefore generally will not have foreign currency gain or loss on receipt of a Euro interest payment but may have foreign currency gain or loss upon disposing of the Euro received.

A U.S. Noteholder of a Refinancing Note that uses the accrual method of accounting or any U.S. Noteholder required to accrue original issue discount ("**OID**") will be required to include in income the U.S. dollar value of Euro interest accrued during the accrual period. An accrual basis U.S. Noteholder may determine the amount of income recognised with respect to such interest using either of two methods, in either case regardless of whether the payments are in fact converted into U.S. dollars on the date of receipt. Under the first method, the U.S. dollar value of accrued interest is translated at the average Euro rate for the interest accrual period (or, with respect to an accrual period that spans two taxable years, the partial period within the taxable year). An accrual method U.S. Noteholder of a Refinancing Note that uses this first method will therefore recognise foreign currency gain or loss, as the case may be, on interest paid to the extent that the U.S. dollar/Euro exchange rate on the date the interest is received differs from the rate at which the interest income was accrued. Under the second method, the U.S. Noteholder can elect to accrue

interest at the Euro spot rate on the last day of an interest accrual period (or, in the case of an accrual period that spans two taxable years, at the exchange rate in effect on the last day of the partial period within the taxable year) or, if the last day of an interest accrual period is within five business days of the receipt of such interest, the spot rate on the date of receipt. An election to accrue interest at the spot rate generally will apply to all foreign currency denominated debt instruments held by the U.S. Noteholder, and is irrevocable without the consent of the IRS. Regardless of the method used to accrue interest, a U.S. Noteholder may have additional foreign currency gain or loss upon a subsequent disposition of the Euro received.

For U.S. federal income tax purposes, OID is the excess of the "stated redemption price at maturity" of a debt instrument over its "issue price", if that excess equals or exceeds ¼ of 1 per cent. of the debt instrument's stated redemption price at maturity multiplied by the number of complete years from its issue date to its maturity or weighted average maturity in the case of instalment obligations (the "OID de minimis amount"). The "stated redemption price at maturity" of a debt instrument such as the Refinancing Notes is the sum of all payments required to be made on the Refinancing Note other than "qualified stated interest" payments. The "issue price" of a Refinancing Note generally is the first offering price to the public at which a substantial amount of the debt instrument is sold. The term "qualified stated interest" generally means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer), or that is treated as constructively received, at least annually at a single fixed rate or, under certain conditions discussed below, at a variable rate.

Prospective U.S. Noteholders should note that to the extent that interest payments on the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (the "**Deferrable Notes**") are not made on a relevant Payment Date, such unpaid interest amounts will be deferred and the amount thereof added to the aggregate principal amount of such Refinancing Notes. Consequently, such interest is not unconditionally payable in cash or property at least annually and will not be treated as "qualified stated interest". Therefore, all of the stated interest payments on the Deferrable Notes will be included in the stated redemption price at maturity of such Refinancing Notes, and as a result the Deferrable Notes will be treated as issued with OID.

If a U.S. Noteholder holds a Refinancing Note with OID (an "**OID Note**") such U.S. Noteholder may be required to include OID in income before receipt of the associated cash payment, regardless of the U.S. Noteholder's accounting method for tax purposes. If the U.S. Noteholder is an initial purchaser of an OID Note, the amount of the OID includible in income is the sum of the daily accruals of the OID for the Refinancing Note for each day during the taxable year (or portion of the taxable year) in which such U.S. Noteholder held the OID Note. The daily portion is determined by allocating the OID for each day of the accrual period. An accrual period may be of any length and the accrual periods may even vary in length over the term of the OID Note, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs either on the first day of an accrual period or on the final day of an accrual period. The amount of OID allocable to an accrual period is equal to the difference between: (a) the product of the "adjusted issue price" of the OID Note at the beginning of the accrual period and its yield to maturity (computed generally on a constant yield method and compounded at the end of each accrual period, taking into account the length of the particular accrual period); and (b) the amount of any qualified stated interest allocable to the accrual period. The "adjusted issue price" of an OID Note at the beginning of any accrual period is the sum of the issue price of the OID Note plus the amount of OID allocable to all prior accrual periods reduced by any payments the U.S. Noteholder received on the OID Note that were not qualified stated interest. Under these rules, the U.S. Noteholder generally will have to include in income increasingly greater amounts of OID in successive accrual periods.

It is possible that the IRS could assert, and a court ultimately hold, that some other method of accruing OID, such as the provisions of Section 1272(a)(6) of the Code (debt instruments that may be accelerated by reason of the prepayment of other debt obligations securing such debt instruments) are applicable to the Refinancing Notes that are treated as issued with OID. Special tax rules principally relating to the accrual of OID, market discount, and bond premium apply to debt instruments described in Section 1272(a)(6). Further, those debt instruments may not be treated for U.S. federal income tax purposes as part of an integrated transaction with a related hedge under Treasury Regulation Section 1.1275-6. Prospective

investors should consult with their own tax advisors regarding the effects of Section 1272(a)(6) of the Code.

Each class of Refinancing Notes will be "variable rate debt instruments" if such class of Refinancing Notes (a) has an issue price that does not exceed the total non-contingent principal payments on such class of Refinancing Notes by more than an amount equal to the lesser of: (i) 0.015 multiplied by the product of such total non-contingent principal payments and the number of complete years to maturity of such class of Refinancing Notes; and (ii) 15 per cent. of the total non-contingent principal payments on such class of Refinancing Notes; (b) provides for stated interest (compounded or paid at least annually) at the current value of one or more qualified floating rates, including the EURIBOR rate, on such class of Refinancing Notes; and (c) does not provide for any principal payments that are contingent. The Refinancing Notes will qualify as variable rate debt instruments, provided the issue price is not more than 115,000 Euro per 100,000 Euro principal amount. Interest payments on certain "variable rate debt instruments" may be considered qualified stated interest.

If a debt instrument that provides for a variable rate of interest does not qualify as a variable rate debt instrument, the debt instrument will be treated as a contingent payment debt instrument. Thus, if any class of the Refinancing Notes does not qualify as a variable rate debt instrument, a U.S. Noteholder would be required to report income in respect of such Refinancing Notes in accordance with U.S. Treasury regulations relating to contingent payment debt instruments, which generally require a U.S. Noteholder to accrue interest on a constant yield basis based on a projected payment schedule determined by the Issuer. The contingent payment debt instrument rules are complex and investors should consult with their own tax advisors with respect to the potential taxation of the Refinancing Notes under the contingent payment debt instrument rules.

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

Interest on the Refinancing Notes received by a U.S. Noteholder will generally be treated as foreign source "passive income" for U.S. foreign tax credit purposes, or, in certain cases, "general category income".

Noteholders should consult their own tax advisors with respect to the federal income tax treatment of any Contribution, including the likelihood that such Contribution will be treated as an equity interest in the Issuer.

Sale, Exchange, Redemption or Repayment of the Refinancing Notes. Unless a non-recognition provision applies, a U.S. Noteholder generally will recognise gain or loss on the sale, exchange, repayment or other disposition of a Refinancing Note equal to the difference between the amount realised plus the fair market value of any property received on the disposition (other than amounts attributable to accrued but unpaid interest) and the U.S. Noteholder's adjusted tax basis in such Refinancing Note.

The amount realised on the sale, exchange, redemption or repayment of a Refinancing Note generally is determined by translating the Euro proceeds into U.S. dollars at the spot rate on the date the Refinancing Note is disposed of, while a U.S. Noteholder's adjusted tax basis in a Refinancing Note generally will be the cost of the Refinancing Note to the U.S. Noteholder, determined by translating the Euro purchase price into U.S. dollars at the spot rate on the date the Refinancing Note was purchased, and increased by the amount of any OID accrued and reduced by any payments other than payments of qualified stated interest of such Refinancing Note. If, however, the Refinancing Notes are traded on an established securities market, a cash basis U.S. Noteholder or electing accrual basis U.S. Noteholder will determine the amount realised on the settlement date. An election by an accrual basis U.S. Noteholder to apply the spot exchange rate on the settlement date will be subject to the rules regarding currency translation elections described above, and cannot be changed without the consent of the IRS. The amount of foreign currency gain or loss realised with respect to accrued but unpaid interest is the difference between the U.S. Dollar value of the interest based on the spot exchange rate on the date the Refinancing Notes are disposed of and the U.S. Dollar value at which the interest was previously accrued. Foreign currency gain or loss on a sale,

exchange, redemption or repayment of a Refinancing Note is recognised only to the extent of total gain or loss on the transaction.

Foreign currency gain or loss recognised by a U.S. Noteholder on the sale, exchange or other disposition of a Refinancing Note (including repayment at maturity) generally will be treated as ordinary income or loss. Gain or loss in excess of foreign currency gain or loss on a Refinancing 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. Noteholder, preferential rates may apply to any capital gain if such U.S. Noteholder's holding period for such Refinancing Notes exceeds one year.

Disposition of Euro. A U.S. Noteholder will have a tax basis in foreign currency received as payment of qualified stated interest or OID on the Refinancing Notes, or on the sale, exchange, retirement or other taxable disposition, equal to the U.S. dollar value of foreign currency received determined at the spot exchange rate on the date the foreign currency is received. Any gain or loss realised by a U.S. Noteholder on a sale or other disposition of the foreign currency (including their exchange for U.S. dollars) will be U.S. source ordinary income or loss. A U.S. Noteholder that converts the Euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

Alternative Characterisation of the Refinancing Notes. It is possible that the IRS may contend that any Class of Refinancing Notes should be treated in whole or in part as equity interests in the Issuer. Such a recharacterisation might result in material adverse U.S. federal income tax consequences to U.S. Noteholders. If U.S. Noteholders of one or more Classes of the Refinancing Notes were treated as owning equity interests in the Issuer, the U.S. federal income tax consequences to those U.S. Noteholders would generally be as described in the 2016 Offering Circular under "United *States Federal Income Taxation — U.S. Tax Treatment of U.S. holders of the Subordinated Notes*" and "United *States Federal Income Taxation —Transfer and Other Reporting Requirements*". Recently enacted legislation amends the definition of "United States shareholder" (referred to in the 2016 Offering Circular as a "U.S. 10 per cent. Shareholder") for controlled foreign corporation (a "**CFC**") purposes to include a United States person that owns 10 percent or more of the total value of shares of all classes of stock in a foreign corporation. Each U.S. Noteholder of Refinancing Note should consult with its own tax advisor regarding the potential recharacterisation of the Refinancing Notes as equity interests in the Issuer.

Reporting Requirements. Certain U.S. Noteholders will be subject to reporting obligations with respect to their Refinancing Notes if they do not hold them in an account maintained by a financial institution and the aggregate value of their Refinancing Notes and certain other "specified foreign financial assets" exceeds certain US dollar thresholds. Significant penalties can apply if a U.S. Noteholder is required to disclose its Refinancing Notes and fails to do so.

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

U.S. Tax Treatment of Non-U.S. Noteholders of Refinancing Notes

Subject to the discussions below under "*Information Reporting and Backup Withholding*" and "*Foreign Account Tax Compliance Act*", payments, including interest, OID and any amounts treated as dividends, on a Refinancing Note to a non-U.S. Noteholder and gain realised on the sale, exchange or retirement of a Refinancing Note by a non-U.S. Noteholder, 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. Noteholder in the United States; or (b) in the case of U.S. federal income tax imposed on gain, such non-U.S. Noteholder is a non-resident alien individual who holds a Refinancing 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.

Information Reporting and Backup Withholding

The amount of interest and principal paid or accrued on the Refinancing Notes, and the proceeds from the sale of a Refinancing 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 Refinancing Note or the gross proceeds from the sale of a Refinancing Note paid within the United States or by a U.S. middleman or U.S. payor to a U.S. person. Backup withholding tax generally applies only if the U.S. person: (a) fails to furnish its social security or other taxpayer identification number within a reasonable time after the request therefore; (b) furnishes an incorrect taxpayer identification number; (c) is notified by the IRS that it has failed to properly report interest OID or dividends; or (d) fails, under certain circumstances, to provide a certified statement, signed under penalty of perjury, that it has furnished a correct taxpayer identification number and has not been notified by the IRS that it is subject to backup withholding tax for failure to report interest and dividend payments.

Non-U.S. Noteholders or, in certain cases, their beneficial owners may be required to comply with certification procedures to establish that they are not U.S. Noteholders in order to avoid information reporting and backup withholding tax.

Backup withholding is not an additional tax. The amount of any backup withholding collected from a payment will be allowed as a credit against the recipient's U.S. federal income tax liability and may entitle the recipient to a refund, so long as the required information is properly furnished to the IRS. Noteholders should consult their own tax advisers about any additional reporting requirements that may arise as a result of their purchasing, holding or disposing of Refinancing Notes.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR NOTEHOLDER. EACH PROSPECTIVE NOTEHOLDER IS STRONGLY URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE REFINANCING NOTES UNDER THE NOTEHOLDER'S OWN CIRCUMSTANCES.

4. ***Foreign Account Tax Compliance Act***

Pursuant to FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer expects to be a foreign financial institution for these purposes. A number of jurisdictions (including Ireland) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Refinancing Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Refinancing Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Refinancing Notes, such withholding would not apply prior to 1 January 2019 and Refinancing Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Refinancing Notes, no person will be required to pay additional amounts as a result of the withholding.

Each Noteholder may be required to provide certifications and identifying information about itself and its owners (or beneficial owners) in order to enable the Issuer (or an intermediary) to identify and report on certain Noteholders and certain of the Noteholder's direct and indirect U.S. beneficial owners to the IRS or the Irish Revenue Commissioners. Further, the Noteholder will be required to permit the Issuer to share such information with the relevant taxing authority. Although certain exceptions to these disclosure requirements could apply, each Noteholder should assume that if it fails to provide the required information or otherwise prevents the Issuer from achieving FATCA Compliance, the Issuer generally will have the right to force the sale of the Noteholder's Refinancing Notes (and such sale could be for less than its then fair market value).

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Refinancing Notes.

ADDITIONAL ERISA CONSIDERATIONS

In addition to the ERISA considerations described in the 2016 Offering Circular under "*Certain ERISA Considerations*," each purchaser and transferee of any Note or interest therein that is a Benefit Plan Investor shall be required or deemed to represent and warrant to the Issuer, on each day from the date on which such beneficial owner acquires such Note or interest therein through and including the date on which it disposes of such Note or interest therein, and at any time when regulation 29 C.F.R. Section 2510.3-21, as modified in 2016, is applicable, that the fiduciary making the decision to invest in the Notes on its behalf (the "**Independent Fiduciary**") (a) is a bank, insurance company, registered investment adviser, broker-dealer or other person with financial expertise, in each case as described in 29 C.F.R. Section 2510.3-21(c)(1)(i); (b) is an independent plan fiduciary within the meaning of 29 C.F.R. Section 2510.3-21(c); (c) is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies; (d) is responsible for exercising independent judgment in evaluating the acquisition, holding and disposition of the Notes; and (e) is not paying and has not paid and the Benefit Plan Investor is not paying and has not paid any fee or other compensation to any of the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager or the Collateral Administrator for investment advice (as opposed to other services) in connection with its acquisition or holding of the Notes. In addition, each such purchaser or transferee will be required or deemed to acknowledge and agree that the Independent Fiduciary (x) has been informed that none of the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager or the Collateral Administrator, or other persons that provide marketing services, nor any of their Affiliates, has provided, and none of them will provide, impartial investment advice and they are not giving any advice in a fiduciary capacity, in connection with the purchaser or transferee's acquisition or holding of the Notes and (y) has received and understands the disclosure of the existence and nature of the financial interests contained in the offering circular and related materials. The term “Benefit Plan Investor” includes: (a) an employee benefit plan (as defined in Section 3(3) of ERISA) that is subject to Part 4 of Title I of ERISA, (b) a plan subject to Section 4975 of the Code or (c) an entity whose underlying assets include “plan assets” by reason of any such employee benefit plan or plan’s investment in the entity.

PLAN OF DISTRIBUTION

Barclays Bank PLC (in its capacity as Initial Purchaser, the "**Initial Purchaser**") has agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe and pay for each Class of the Refinancing Notes (the "**Subscribed Notes**") pursuant to the 2018 Subscription Agreement, at the issue price of, in the case of the Class A-1 Notes, 100 per cent., in the case of the Class A-2 Notes, 100 per cent., in the case of the Class B Notes, 100 per cent., in the case of the Class C Notes, 100 per cent., in the case of the Class D Notes, 100 per cent. and in the case of the Class E Notes, 100 per cent.. The 2018 Subscription Agreement entitles the Initial Purchaser to terminate it in certain circumstances prior to payment being made to the Issuer. Each of the Issuer and the Initial Purchaser may offer the Subscribed Notes at prices as may be privately negotiated at the time of sale, which may vary among different purchasers and may be different from the issue price of the Subscribed Notes.

It is a condition of the issue of the Refinancing Notes of each Class that the Refinancing Notes of each other Class be issued in the following principal amounts: Class A-1 Notes: €324,500,000, Class A-2 Notes: €60,500,000, Class B Notes: €42,500,000, Class C Notes: €26,250,000, Class D Notes: €33,500,000 and Class E Note: €14,000,000.

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 Offering Circular or any other offering material in relation to the Notes in any jurisdiction where action for the purpose is required other than the application and the approval of this Offering Circular with and by the Irish Stock Exchange plc trading as Euronext Dublin and the Central Bank. No offers, sales or deliveries of any Notes, or distribution of this Offering Circular or any other offering material relating to the Notes, may be made in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations including as stated in the section entitled "*Important Notice*" above, not to retail investors as defined in such section and will not impose any obligations on the Issuer or the Initial Purchaser.

The Refinancing Notes sold in this Offering may not be purchased by any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk Retention Waiver from BGCF or the Collateral Manager. Each holder of a Refinancing Note or a beneficial interest therein acquired in the initial syndication of the Refinancing Notes, by its acquisition of a Refinancing Note or a beneficial interest in a Refinancing Note, will be deemed to represent to the Issuer, the Trustee, the Collateral Manager and the Initial Purchaser that it (1) either (a) is not a Risk Retention U.S. Person and is not purchasing Refinancing Notes for the account or benefit of a Risk Retention U.S. Person or (b) it has received a U.S. Risk Retention Waiver from the BGCF or the Collateral Manager, and (2) is not acquiring such Refinancing Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Refinancing Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section __.20 of the U.S. Risk Retention Rules described in "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention*"). See "*Risk Factors – Regulatory Initiatives*" and "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention*". BGCF, the Collateral Manager, the Issuer and the Initial Purchaser have agreed that none of the Initial Purchaser or any person who controls it or any director, officer, employee, agent or Affiliate of the Initial Purchaser shall have any responsibility for determining the proper characterisation of potential investors for such restriction or for

determining the availability of the exemption provided for in Section __.20 of the U.S. Risk Retention Rules, and none of the Initial Purchaser or any person who controls it or any director, officer, employee, agent or Affiliate of the Initial Purchaser accepts any liability or responsibility whatsoever for any such determination.

The Initial Purchaser has also agreed to comply with the following selling restrictions

United States

The Refinancing Notes have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) 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) outside the United States to non-U.S. persons (as defined in Regulation S) in offshore transactions in reliance on Regulation S and in accordance with applicable law and (b) to U.S. persons (as defined in Regulation S) (directly or through its U.S. broker dealer Affiliate) in reliance on Rule 144A only to or for their own account or for the accounts of, in each case, QIBs/QPs. The Initial Purchaser may retain a certain proportion of the Refinancing Notes in its portfolio with an intention to hold to maturity or to trade. The holding or any sale of the Refinancing Notes by these parties may adversely affect the liquidity of the Refinancing Notes and may also affect the prices of the Refinancing Notes in the primary or secondary market.

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

The Refinancing Notes sold in reliance on Rule 144A will be issued in minimum denominations of €250,000 and integral multiples of €1,000 in excess thereof. Any offer or sale of Rule 144A Notes in reliance on Rule 144A will be made by broker dealers who are registered as such under the Exchange Act. After the Refinancing Notes are released for sale, the offering price and other selling terms may from time to time be varied by the Initial Purchaser.

The Initial Purchaser has acknowledged and agreed that it will not offer, sell or deliver any Regulation S Notes to, or for the account or benefit of, any U.S. person (as defined in Regulation S) or U.S. Resident as part of their distribution at any time and that it will send to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Regulation S Notes a confirmation or other notice setting forth the prohibition on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S) or U.S. Resident.

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Refinancing Notes and for the listing of the Refinancing Notes of each Class on the Main Securities Market of the Irish Stock Exchange plc trading as Euronext Dublin. 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 Offering Circular does not constitute an offer to any person in the United States or to any U.S. person (as defined in Regulation S). Distribution of this Offering Circular to any such U.S. person (as defined in Regulation S) 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.

Other Selling Restrictions

The Initial Purchaser has also agreed to comply with the following selling restrictions:

(a) *United Kingdom*: The Initial Purchaser, which is authorised and regulated by the Financial Conduct Authority, has represented and agreed that:

(1) 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 Refinancing Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(2) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Refinancing Notes in, from or otherwise involving the United Kingdom.

(b) *Prohibition of Sales to EEA Retail Investors:* The Initial Purchaser has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Refinancing Notes to any retail investor in the European Economic Area. For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following:

(1) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(2) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

(c) *Australia*: Neither this Offering Circular nor any other prospectus or other disclosure document (as defined in the Corporations Act 2001 (the "**Corporations Act**")) in relation to the Refinancing Notes has been or will be lodged with the Australian Securities and Investments Commission ("**ASIC**"). The Initial Purchaser has therefore further represented and agreed that:

(1) the Refinancing Notes may not be offered or sold, directly or indirectly, in Australia, its territories or possessions, or to any resident of Australia, except by way of an offer or sale not required to be disclosed pursuant to Part 6D.2 or Part 7.9 of the Corporations Act; and

(2) this Offering Circular does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of interests to a 'retail client' (as defined in section 761G of the Corporations Act and applicable regulations) in Australia. This Offering Circular is provided only to 'professional investors' as defined in the Corporations Act.

(d) *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 Offering Circular nor any other document connected therewith constitutes a prospectus according to the KMG and neither this Offering Circular nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria, save as specifically agreed with the Initial Purchaser. No document pursuant to Directive 2003/71/EC has been or will be drawn up and approved in Austria and no document pursuant to Directive 2003/71/EC has been or will be passported into Austria as the Refinancing Notes will be offered in Austria in reliance an on exemption from the document publication requirement under the KMG. The Initial Purchaser has represented and agreed that it will offer the Refinancing Notes in Austria only in compliance with the provisions of the KMG, and Notes will therefore not be publicly offered or (re)sold in Austria without a document being published or an applicable exemption from such requirement being relied upon.

(e) *Belgium*: The Initial Purchaser has acknowledged and agreed that the offering of Notes has not been and will not be notified to the Belgian Financial Services and Markets Authority (autoriteit voor financiële diensten en markten/autorité des services et marchés financiers) nor has this Offering Circular been, nor will it be, approved by the Belgian Financial Services and Markets Authority. The Refinancing Notes may not be distributed in Belgium by way of an offer of the Refinancing Notes to the public, as defined in

Article 3, §1 of the Act of 16 June 2006 relating to Public Offers of Investment Instruments, as amended or replaced from time to time and taking into account the provisions of Directive 2010/73/EU that are sufficiently clear, precise and unconditional to be capable of vertical direct effect, save in those circumstances (commonly called "private placement") set out in Article 3 §2 of the Act of 16 June 2006 relating to public offers of investment instruments, as amended or replaced from time to time and taking into account the provisions of Directive 2010/73/EU that are sufficiently clear, precise and unconditional to be capable of vertical direct effect. This Offering Circular may be distributed in Belgium only to such investors for their personal use and exclusively for the purposes of this offering of Notes. Accordingly, this Offering Circular may not be used for any other purpose or passed on to any other investor in Belgium. The Initial Purchaser has represented and agreed that it will not:

(1) offer for sale, sell or market the Refinancing Notes in Belgium otherwise than in conformity with the Act of 16 June 2006 taking into account the provisions of Directive 2010/73/EU that are sufficiently clear, precise and unconditional to be capable of vertical direct effect; and

(2) offer for sale, sell or market the Refinancing Notes to any person qualifying as a consumer within the meaning of Article 1.3 of the Law of 6 April 2010 on trade practices and consumer protection, as modified, otherwise than in conformity with such law and its implementing regulations.

(f) *Denmark*: The Initial Purchaser has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any of the Refinancing Notes to the public in Denmark unless in accordance with 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 Refinancing Notes in Denmark means the communication in any form and by any means of sufficient information on the terms of the offer and the Refinancing Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Refinancing Notes.

(g) *France*: Any person who is in possession of this Offering Circular is hereby notified that no action has or will be taken that would allow an offering of the Refinancing Notes in France and neither the Offering Circular nor any offering material relating to the Refinancing Notes have been submitted to the Autorité des Marchés Financiers ("**AMF**") for prior review or approval. Accordingly, the Refinancing Notes may not be offered, sold, transferred or delivered and neither this Offering Circular nor any offering material relating to the Refinancing Notes may be distributed or made available (in whole or in part) in France, directly or indirectly, except as permitted by French law and regulation.

The Initial Purchaser has represented and agreed that:

(1) the Refinancing Notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

(2) neither this Offering Circular nor any other offering material relating to the Refinancing Notes has been or will be:

(i) released, issued, distributed or caused to be released, issued or distributed to the public in France; or

(ii) used in connection with any offer for subscription or sale of the Refinancing Notes to the public in France.

(3) such offers, sales and distributions will be made in France only:

(i) 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, and L.533-20 of the French Code Monétaire et Financier ("**CMF**");

(ii) to investment services providers authorised to engage in portfolio management on behalf of third parties; or

(iii) 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.

(h) *Germany*: The Refinancing Notes will not be registered for public distribution in Germany. This Offering Circular does not constitute a sales document pursuant to the German Capital Investment Act (Vermögensanlagengesetz). Accordingly, the Initial Purchaser has represented and agreed that no offer of the Refinancing Notes will be made to the public in Germany. This Offering Circular and any other document relating to the Refinancing Notes, as well as information or statements contained therein, will not be supplied to the public in Germany or used in connection with any offer for subscription of the Refinancing Notes to the public in Germany or any other means of public marketing.

(i) *Hong Kong*: The contents of this Offering Circular have not been reviewed by any regulatory authority in Hong Kong. The Initial Purchaser has therefore represented and agreed that:

(1) 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 Refinancing 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

(2) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Refinancing Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the Securities Laws of Hong Kong) other than with respect to 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.

(j) *Ireland*: The Initial Purchaser has represented and agreed that:

(1) it has not and will not underwrite the issue of, or place, the Refinancing Notes otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended, the "**MiFID II Regulations**" including, without limitation, Regulation 5 (Requirement for authorisation (and certain provisions concerning MTFs and OTFs)) thereof, or any rules or codes of conduct made under the MiFID II Regulations, and the provisions of the Investor Compensation Act 1998 (as amended);

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

(3) it has not and will not underwrite the issue of, or place, or do anything in Ireland in respect of, the Refinancing Notes otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued by the Central Bank of Ireland (the "**Central Bank**") under Section 1363 of the Companies Act; and

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

(k) *Israel*: The Initial Purchaser has acknowledged and agreed that this Offering Circular has not been approved by the Israeli Securities Authority and will only be distributed to Israeli residents in a manner that will not constitute "an offer to the public" under sections 15 and 15a of the Israel Securities Law, 5728-1968 (the "**Securities Law**").

The Initial Purchaser has represented and agreed that the Refinancing Notes are being offered to a limited number of investors (35 investors or fewer during any given 12 month period) and/or those categories of investors listed in the First Addendum (the "**Addendum**") to the Securities Law, ("**Sophisticated Investors**") namely joint investment funds or mutual trust funds, provident funds, insurance companies, banking corporations (purchasing the Refinancing Notes for themselves or for clients who are Sophisticated Investors), portfolio managers (purchasing the Refinancing Notes for themselves or for clients who are Sophisticated Investors), investment advisors or investment marketers (purchasing the Refinancing Notes for themselves), members of the Tel-Aviv Stock Exchange (purchasing the Refinancing Notes for themselves or for clients who are Sophisticated Investors), underwriters (purchasing the Refinancing Notes for themselves), venture capital funds engaging mainly in the capital market, an entity which is wholly-owned by Sophisticated Investors, corporations, other than formed for the specific purpose of an acquisition pursuant to an offer, with a shareholder's equity in excess of NIS 50 million, and individuals in respect of whom the terms of item 9 in the Schedule to the Investment Advice Law hold true, investing for their own account, each as defined in the said Addendum, as amended from time to time, and who in each case have provided written confirmation that they qualify as Sophisticated Investors, and that they are aware of the consequences of such designation and agree thereto; in all cases under circumstances that will fall within the private placement or other exemptions of the Securities Law and any applicable guidelines, pronouncements or rulings issued from time to time by the Israeli Securities Authority.

This Offering Circular may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent. Any offeree who purchases the Refinancing Notes will purchase such Notes for its own benefit and account and not with the aim or intention of distributing or offering such Notes to other parties (other than, in the case of an offeree which is an Sophisticated Investor by virtue of it being a banking corporation, portfolio manager or member of the Tel-Aviv Stock Exchange, as defined in the Addendum, where such offeree is purchasing the Refinancing Notes for another party which is an Sophisticated Investor). Nothing in this Offering Circular should be considered investment advice or investment marketing defined in the Regulation of Investment Counselling, Investment Marketing and Portfolio Management Law, 5755-1995.

Investors are encouraged to seek competent investment counselling from a locally licensed investment counsel prior to making the investment. As a prerequisite to the receipt of a copy of this Offering Circular, a recipient shall be required by the Issuer to provide confirmation that it is a Sophisticated Investor purchasing the Refinancing Notes for its own account or, where applicable, for other Sophisticated Investors.

This Offering Circular does not constitute an offer to sell or solicitation of an offer to buy any securities other than the Refinancing Notes referred to herein, nor does it constitute an offer to sell to, or solicitation of an offer to buy from, any person or persons in any state or other jurisdiction in which such offer or solicitation would be unlawful, or in which the person making such offer or solicitation is not qualified to do so, or to a person or persons to whom it is unlawful to make such offer or solicitation.

(l) *Italy*: The offering of the Refinancing 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 Offering Circular or of any other document relating to the Refinancing Notes be distributed in the Republic of Italy, except:

(1) 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

(2) 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 Refinancing Notes or distribution of copies of this Offering Circular or any other document relating to the Refinancing Notes in the Republic of Italy under (1) or (2) above must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**"); and

(ii) 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

(iii) in compliance with any other applicable laws and regulations or requirements imposed by CONSOB or another Italian authority.

(m) *Japan*: The Refinancing 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 Refinancing 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.

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

For the purposes of this provision, the expressions (i) an "offer of notes to the public" in relation to any Notes in The Netherlands; and (ii) "Prospectus Directive", have the meaning given to them above in the section entitled "European Economic Area".

(o) *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 "**Norway 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 Norway Relevant Implementation Date, make an offer of the Refinancing Notes to the public in Norway at any time:

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

(2) to fewer than 100 or, if Norway 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 relevant dealer or dealers nominated by the Issuer for any such offer; or

(3) in any other circumstances which do not require the publication by the Issuer or any other entity of a document pursuant to Article 3(2) 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 Refinancing Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Refinancing Notes, as the same may be varied in Norway by any measure implementing the Prospectus Directive in Norway and the expression 'Prospectus Directive' means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in Norway.

(p) *Qatar*: The Initial Purchaser has represented and agreed that the Refinancing Notes will only be offered to a limited number of investors who are willing and able to conduct an independent investigation of the risks involved in an investment in such Notes.

(q) *Singapore*: This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore ("**MAS**") nor have any arrangements described in the Offering Circular, 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 Refinancing Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Offering Circular 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.

(r) *South Korea*: The Refinancing Notes have not been registered with the Financial Services Commission of Korea for a public offering in Korea. The Initial Purchaser has therefore represented and agreed that the Refinancing Notes have not been and will not be offered, sold or delivered directly or indirectly, or offered, sold or delivered to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea, except as otherwise permitted under applicable Korean Laws and regulations, including the Financial Investment Services and Capital Markets Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder.

(s) *Spain*: Neither the Refinancing Notes nor the Offering Circular have been approved or registered with the Spanish Notes Markets Commission (Comision Nacional Del Mercado De Valores). Accordingly, the Initial Purchaser stances 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.

(t) *Switzerland*: This Offering Circular is not intended to constitute an offer or solicitation to purchase or invest in the Refinancing Notes described herein. The Refinancing Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Offering Circular nor any other offering or marketing material relating to the Refinancing Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations, and neither this Offering Circular nor any other offering or marketing material relating to the Refinancing Notes may be publicly distributed or otherwise made publicly available in Switzerland.

(u) *Taiwan*: The Initial Purchaser has acknowledged and agreed that the Refinancing Notes may be made available outside Taiwan for purchase by investors residing in Taiwan (either directly or through properly

licensed Taiwan intermediaries acting on behalf of such investors) but may not be offered or sold in Taiwan.

The Refinancing Notes are being made available to professional investors in the R.O.C. through bank trust departments, licensed securities brokers and/or insurance company investment linked insurance policies pursuant to the R.O.C. rules governing offshore structured products. No other offer or sale in the R.O.C. is permitted.

(v) *United Arab Emirates*: This Offering Circular, and the information contained herein, does not constitute, and is not intended to constitute, a public offer of securities in the United Arab Emirates. The Initial Purchaser has therefore represented and agreed that the Refinancing Notes are only being offered to a limited number of sophisticated investors in the UAE (a) who are willing and able to conduct an independent investigation of the risks involved in an investment in such Notes and (b) upon their specific request. The Refinancing Notes have not been approved by or licensed or registered with the UAE Central Bank, the Securities and Commodities Authority or any other relevant licensing authorities or governmental agencies in the UAE. The Offering Circular is for the use of the named addressee only and should not be given or shown to any other person (other than employees, agents or consultants in connection with the addressee's consideration thereof).

TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers of the Refinancing Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Refinancing Notes.

Rule 144A Notes

Each prospective purchaser of Rule 144A Notes, by accepting delivery of this Offering Circular, will be deemed to have represented and agreed that such person acknowledges that this Offering Circular is personal to it and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Refinancing Notes other than pursuant to Rule 144A or in offshore transactions in accordance with Regulation S. Distribution of this Offering Circular, or disclosure of any of its contents to any person other than such offeree and those persons, if any, retained to advise it with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

Each purchaser of Refinancing Notes represented by a Rule 144A Global Certificate will be deemed to have represented and agreed and Refinancing Notes represented by Rule 144A Definitive Certificates will be required to represent and agree, as follows:

(1) The purchaser (a) is a QIB, (b) is aware that the sale of such Rule 144A Notes to it is being made in reliance on Rule 144A, (c) is acquiring such Notes for its own account or for the account of a QIB as to which the purchaser exercises sole investment discretion, and in a principal amount of not less than €250,000 for the purchaser and for each such account and (d) will provide notice of the transfer restrictions described herein and under the "Notice to Investors" to any subsequent transferees. If the purchaser acquires such Rule 144A Notes in the initial syndication of the Refinancing Notes, the purchaser (1) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from BGCF or the Collateral Manager, and (2) is not acquiring such Refinancing Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Refinancing Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section __.20 of the U.S. Risk Retention Rules described in "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention*").

(2) The purchaser understands that such Rule 144A Notes have not been and will not be registered under the Securities Act, and interests therein may be reoffered, resold or pledged or otherwise transferred only (a)(i) to a person whom the purchaser reasonably believes is a QIB purchasing for its own account or for the account of a QIB as to which the purchaser exercises sole investment discretion in a transaction meeting the requirements of Rule 144A or (ii) to a non-U.S. Person in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S and (b) in accordance with all applicable securities laws including the securities laws of any state of the United States. The purchaser understands that the Issuer has not been registered under the Investment Company Act and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act. The purchaser understands that before any interest in a Rule 144A Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Notes, the Registrar is required to receive a written certification from the purchaser (in the form provided in the Trust Deed) as to compliance with the transfer restrictions described herein. The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (2) 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 or the U.S. Risk Retention Rules. The purchaser understands that an investment in the Rule 144A Notes involves certain risks, including the risk of loss of its entire investment in the Rule 144A Notes under certain circumstances. The purchaser has had access to such financial and other information concerning the Issuer and the Notes as it deemed necessary or

appropriate in order to make an informed investment decision with respect to its purchase of the Rule 144A Notes, including an opportunity to ask questions of, and request information from, the Issuer.

(4) In connection with the purchase of the Rule 144A Notes: (a) none of the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager or the Collateral Administrator is acting as a fiduciary or financial adviser for the purchaser; (b) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager or the Collateral Administrator other than in this Offering Circular for such Notes and any representations expressly set forth in a written agreement with such party; (c) none of the Issuer, the Initial Purchaser, the Trustee, the 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 judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer, the Initial Purchaser, the 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 April 30, 1996, the purchaser has received the necessary consent from its beneficial owners; (c) is not a pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made; and (d) is not a broker dealer that owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of unaffiliated issuers. 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 or Class C 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 Note or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan, or (B) its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, or, in the case of a governmental, church, non-U.S. or other plan, a violation of any Similar Law, and (ii) it will not sell or transfer such Note (or interest therein) to

an acquiror acquiring such Note (or interest therein) unless the acquiror makes or is deemed to make the foregoing representations, warranties and agreements described in clause (i) hereof. Any purported transfer of the Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the acquiror understands that the Issuer will have the right to cause the sale of such Notes to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(b) (i) With respect to interests in the Class D Notes, Class E Notes and Subordinated Notes in the form of a Rule 144A Global Certificate (other than BGCF and the Collateral Manager, provided they have given an ERISA certificate ((substantially in the form of Annex B to this Offering Circular)) to the Issuer or as otherwise permitted in writing by the Issuer with respect to interests in Class D Notes acquired in the initial offering, provided such relevant investor has given an ERISA certificate ((substantially in the form of Annex B to this Offering Circular)) to the Issuer): (i) it is not, and is not acting on behalf of, a Benefit Plan Investor or Controlling Person and, 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 interests therein will not be, subject to any Similar Law and (2) its acquisition, holding and disposition of such Notes (or interests therein) will not constitute or result in a violation of any Similar Law.

(ii) With respect to acquiring or holding a Class D Note, Class E Note or Subordinated Note in the form of a Definitive Certificate (i) (A) it will represent in an ERISA Certificate ((substantially in the form of Annex B to this Offering Circular)) whether or not, for so long as it holds such Class D Note, Class E Note or Subordinated Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (B) it will represent in an ERISA certificate ((substantially in the form of Annex B to this Offering Circular)) whether or not, for so long as it holds such Class D Note, Class E 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, its acquisition, holding and disposition of such Class D Note, Class E Note or Subordinated Note (or interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Class D Note, Class E Note or Subordinated Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Class D Note, Class E Note or Subordinated Note (or interest therein) will not constitute or result in a violation of any Similar Law, and (ii) that it will agree to certain transfer restrictions regarding its interest in such Class D Note, Class E Note or Subordinated Note. Any purported purchase or transfer of the Class D Notes, Class E Notes or Subordinated Notes in violation of the requirements set forth in this paragraph or without the written consent of the Issuer shall be null and void *ab initio* and the acquiror understands that the Issuer will have the right to prevent the acquisition of a Note or may cause the sale of a Class D Note, Class E Note or Subordinated Note to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(c) With respect to the purchase or transfer of any Note or interest therein by a Benefit Plan Investor, on each day from the date on which the beneficial owner acquires such Note or interest therein through and including the date on which it disposes of such Note or interest therein, and at any time when regulation 29 C.F.R. Section 2510.3-21, as modified in 2016, is applicable, that the fiduciary making the decision to invest in the Notes on its behalf (the "Independent Fiduciary") (a) is a bank, insurance company, registered investment adviser, broker-dealer or other person with financial expertise, in each case as described in 29 C.F.R. Section 2510.3- 21(c)(1)(i); (b) is an independent plan fiduciary within the meaning of 29 C.F.R. Section 2510.3-21(c); (c) is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies; (d) is responsible for exercising independent

judgment in evaluating the acquisition, holding and disposition of the Notes; and (e) is not paying and has not paid and the Benefit Plan Investor is not paying and has not paid any fee or other compensation to any of the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager or the Collateral Administrator for investment advice (as opposed to other services) in connection with its acquisition or holding of the Notes. In addition, each such purchaser or transferee will be required or deemed to acknowledge and agree that the Independent Fiduciary (x) has been informed that none of the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager or the Collateral Administrator, or other persons that provide marketing services, nor any of their Affiliates, has provided, and none of them will provide, impartial investment advice and they are not giving any advice in a fiduciary capacity, in connection with the purchaser or transferee's acquisition or holding of the Notes and (y) has received and understands the disclosure of the existence and nature of the financial interests contained in the offering circular and related materials.

(d) The purchaser acknowledges that the Issuer, 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, within the United States, persons, or outside the United States, U.S. persons (as defined in Regulation S) 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.

EACH HOLDER OF A NOTE OR A BENEFICIAL INTEREST IN A NOTE ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES, BY ITS ACQUISITION OF A NOTE OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO REPRESENT TO THE ISSUER, THE TRUSTEE, BGCF, THE COLLATERAL MANAGER AND THE INITIAL PURCHASER THAT IT (1) EITHER (A) IS NOT A "U.S. PERSON" AS DEFINED UNDER SECTION _.20 OF THE JOINT FINAL RULE ("U.S. RISK RETENTION RULES") TO IMPLEMENT THE CREDIT RISK RETENTION REQUIREMENTS OF SECTION 15G OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, OR (B) IT HAS RECEIVED THE WRITTEN CONSENT OF BGCF OR THE COLLATERAL MANAGER TO ACQUIRE SUCH NOTE OR BENEFICIAL INTEREST IN SUCH NOTE AND (2) IS NOT ACQUIRING SUCH NOTE OR BENEFICIAL INTEREST IN SUCH NOTE AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING THIS NOTE THROUGH A NON-U.S. PERSON, RATHER THAN A U.S. PERSON (IN EACH CASE, AS DEFINED UNDER THE U.S. RISK RETENTION RULES), AS PART OF A SCHEME TO EVADE THE 10 PER CENT. U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION __.20 OF THE U.S. RISK RETENTION RULES).

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON

(AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S OF THE SECURITIES ACT (AS AMENDED) AND, IN THE CASE OF CLAUSE (A)(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 APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR, IN THE CASE OF CLAUSE (A)(2), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED NOTEHOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE COLLATERAL ADMINISTRATOR.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B NOTES, AND CLASS C 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 THIS NOTE OR ANY INTEREST HEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A VIOLATION OF ANY SIMILAR LAW, AND (II) IT WILL NOT

SELL OR TRANSFER THIS NOTE (OR INTEREST HEREIN) TO AN ACQUIROR ACQUIRING THIS NOTE (OR INTEREST HEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH OR REPRESENTATIONS DESCRIBED 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 THIS NOTE 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 D NOTES, CLASS E NOTES AND THE SUBORDINATED NOTES IN THE FORM OF RULE 144A GLOBAL CERTIFICATES ONLY*] EACH PURCHASER OR TRANSFEREE OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE (OR ANY INTEREST HEREIN) WILL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT THAT (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR (OTHER THAN BGCF AND THE COLLATERAL MANAGER PROVIDED THEY HAVE GIVEN AN ERISA CERTIFICATE TO THE ISSUER AND (IN THE CASE OF BGCF) THE COLLATERAL MANAGER) A CONTROLLING PERSON AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE 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 THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") AND/OR SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY SIMILAR LAW. "BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED FOR THE PURPOSES OF 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA ("**PLAN ASSET REGULATION**"), 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 THIS NOTE (OR ANY INTEREST HEREIN) IN VIOLATION OF THE REQUIREMENTS SET FORTH OR REPRESENTATIONS DESCRIBED 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 THIS NOTE OR INTEREST HEREIN 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 D NOTE, CLASS E 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 D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS, AS DETERMINED PURSUANT TO THE PLAN ASSET REGULATION ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON OR SIMILAR LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS D NOTES, CLASS E NOTES AND SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE (OR ANY INTEREST HEREIN) WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER AND THE COLLATERAL MANAGER IN AN ERISA CERTIFICATE (A) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (B) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A CONTROLLING PERSON AND (C) THAT (1) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") AND/OR SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") 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 NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE 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 AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY SIMILAR LAW. EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF THIS 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 FOR THE PURPOSES OF 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA ("**PLAN ASSET REGULATION**") 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 THIS NOTE (OR INTEREST HEREIN) IN VIOLATION OF THE REQUIREMENTS SET FORTH OR REPRESENTATIONS DESCRIBED IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT ACQUISITION IS SUBJECT TO THE ISSUER'S CONSENT (AFTER CONSULTATION WITH THE COLLATERAL MANAGER) AND THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE 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 D NOTE, CLASS E NOTE OR SUBORDINATED NOTE, IN ANY FORM, 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 D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS, AS DETERMINED PURSUANT TO THE PLAN ASSET REGULATION ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON OR SIMILAR LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

EACH PURCHASER AND TRANSFEREE OF THIS NOTE OR INTEREST HEREIN THAT IS A BENEFIT PLAN INVESTOR SHALL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT TO THE ISSUER, ON EACH DAY FROM THE DATE ON WHICH SUCH BENEFICIAL OWNER ACQUIRES THIS NOTE OR INTEREST HEREIN THROUGH AND INCLUDING THE DATE ON WHICH IT DISPOSES OF THIS NOTE OR INTEREST HEREIN, AND AT ANY TIME WHEN REGULATION 29 C.F.R. SECTION 2510.3-21, AS MODIFIED IN 2016, IS APPLICABLE, THAT THE FIDUCIARY MAKING THE DECISION TO INVEST IN THIS NOTE ON ITS BEHALF (THE "**INDEPENDENT FIDUCIARY**") (A) IS A BANK, INSURANCE COMPANY, REGISTERED INVESTMENT ADVISER, BROKER-DEALER OR OTHER PERSON WITH FINANCIAL EXPERTISE, IN EACH CASE AS DESCRIBED IN 29 C.F.R. SECTION 2510.3-21(C)(1)(I); (B) IS AN INDEPENDENT PLAN FIDUCIARY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3- 21(C); (C) IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH REGARD TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES; (D) IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGMENT IN EVALUATING THE ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE; AND (E) IS NOT PAYING AND HAS NOT PAID, AND THE BENEFIT PLAN INVESTOR IS NOT PAYING AND HAS NOT PAID ANY FEE OR OTHER COMPENSATION TO ANY OF THE ISSUER, THE INITIAL PURCHASER, THE TRUSTEE, THE COLLATERAL MANAGER OR THE COLLATERAL ADMINISTRATOR FOR INVESTMENT ADVICE (AS OPPOSED TO OTHER SERVICES) IN CONNECTION WITH ITS ACQUISITION OR HOLDING OF THIS NOTE. IN ADDITION, EACH SUCH PURCHASER OR TRANSFEREE WILL BE REQUIRED OR DEEMED TO ACKNOWLEDGE AND AGREE THAT THE INDEPENDENT FIDUCIARY (X) HAS BEEN INFORMED THAT NONE OF THE ISSUER, THE INITIAL PURCHASER, THE TRUSTEE, THE COLLATERAL MANAGER OR THE COLLATERAL ADMINISTRATOR, OR OTHER PERSONS THAT PROVIDE MARKETING SERVICES, NOR ANY OF THEIR AFFILIATES, HAS PROVIDED, AND NONE OF THEM WILL PROVIDE, IMPARTIAL INVESTMENT ADVICE AND THEY ARE NOT GIVING ANY ADVICE IN

A FIDUCIARY CAPACITY, IN CONNECTION WITH THE PURCHASER OR TRANSFEREE'S ACQUISITION OR HOLDING OF THIS NOTE AND (Y) HAS RECEIVED AND UNDERSTANDS THE DISCLOSURE OF THE EXISTENCE AND NATURE OF THE FINANCIAL INTERESTS CONTAINED IN THE OFFERING CIRCULAR AND RELATED MATERIALS.

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 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.

EACH HOLDER OF A NOTE (OR ANY INTEREST THEREIN) INCLUDING ANY TRANSFEREE WILL PROVIDE THE ISSUER, THE TRUSTEE OR THEIR RESPECTIVE AGENTS WITH ANY CORRECT, COMPLETE AND ACCURATE INFORMATION THAT MAY BE REQUIRED FOR THE ISSUER TO COMPLY WITH FATCA 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 WITHIN 10 BUSINESS DAYS 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 AND EXPENSES 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 ISIN OR ISINS 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 OFFERING CIRCULAR FOR ALL U.S. FEDERAL INCOME TAX PURPOSES AND TO TAKE NO ACTION INCONSISTENT WITH SUCH TREATMENT UNLESS REQUIRED BY LAW.

NOTWITHSTANDING ANYTHING IN THE OFFERING CIRCULAR TO THE CONTRARY, EACH PROSPECTIVE INVESTOR (AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF EACH PROSPECTIVE INVESTOR) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE TAX TREATMENT AND TAX STRUCTURE OF AN INVESTMENT IN THE NOTES AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER TAX ANALYSES) THAT ARE PROVIDED TO THE PROSPECTIVE INVESTOR RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE. FOR THESE PURPOSES, THE TAX TREATMENT OF AN INVESTMENT IN THE NOTES MEANS THE PURPORTED OR CLAIMED U.S. FEDERAL INCOME TAX TREATMENT OF AN INVESTMENT IN THE NOTES. IN ADDITION, THE TAX STRUCTURE OF AN INVESTMENT IN THE NOTES INCLUDES ANY FACT THAT MAY BE RELEVANT TO UNDERSTANDING THE PURPORTED OR CLAIMED U.S. FEDERAL INCOME TAX TREATMENT OF AN INVESTMENT IN THE NOTES.

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 B NOTES, THE CLASS C NOTES, THE CLASS D NOTES AND THE CLASS E 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 COLLATERAL ADMINISTRATOR AT NEW BROAD STREET HOUSE, 35 NEW BROAD STREET, LONDON EC2M 1NH.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES AND THE SUBORDINATED NOTES ONLY*] [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, (II) IT IS A PERSON THAT IS ELIGIBLE FOR BENEFITS UNDER AN INCOME TAX TREATY WITH THE UNITED STATES THAT ELIMINATES U.S. FEDERAL INCOME TAXATION OF U.S. SOURCE INTEREST NOT ATTRIBUTABLE TO A PERMANENT ESTABLISHMENT IN THE UNITED STATES, OR (III) HAS PROVIDED AN INTERNAL REVENUE SERVICE FORM W-8ECI REPRESENTING THAT ALL PAYMENTS RECEIVED OR TO BE RECEIVED BY IT FROM THE ISSUER ARE EFFECTIVELY CONNECTED WITH THE CONDUCT OF A TRADE OR BUSINESS IN THE UNITED STATES, AND (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.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B NOTES AND CLASS C NOTES IN THE FORM OF CM NON-VOTING NOTES OR CM EXCHANGEABLE NON-VOTING NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL NOT CARRY ANY RIGHT TO VOTE IN RESPECT OF, OR BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A CM REMOVAL RESOLUTION AND/OR A CM REPLACEMENT RESOLUTION.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B NOTES AND CLASS C NOTES IN THE FORM OF CM VOTING NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL CARRY A RIGHT TO VOTE IN RESPECT OF, AND BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A CM REMOVAL RESOLUTION AND/OR A CM REPLACEMENT RESOLUTION.]

(8) The purchaser will not, at any time, offer to buy or offer to sell the Notes by any form of general solicitation or advertising, including, but not limited to, any advertisement, article, notice or other communication published in any newspaper, magazine or similar medium or broadcast over television or radio or seminar or meeting whose attendees have been invited by general solicitations or advertising.

(9) Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

(10) Each holder of a Note (or any interest therein) including any transferee will provide the Issuer or its agents with any correct, complete and accurate information that may be required for the Issuer to comply with FATCA 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 within 10 Business Days 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 and expenses 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 Considerations" section of the Offering Circular for all U.S. federal 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) No purchase or transfer of a Class D Note, Class E Note or Subordinated Note will be recorded or otherwise recognised unless the purchaser or transferee has provided the Issuer with a certificate substantially in the form of Annex A hereto.

(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 or Non-Permitted FATCA 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 or Non-Permitted FATCA Noteholder.

Regulation S Notes

Each prospective 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 not a U.S. person (as defined in Regulation S). If the purchaser acquires such Regulation S Notes in the initial syndication of the Refinancing Notes, the purchaser (1) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from BGCF or the Collateral Manager, and (2) is not acquiring such Refinancing Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Refinancing Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section __.20 of the U.S. Risk Retention Rules described in "Risk Factors Regulatory Initiatives – U.S. Risk Retention ").

(2) The purchaser understands that the Notes have not been and will not be registered under the Securities Act and that the Issuer has not registered and will not register under the Investment Company Act and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act. It agrees, for the benefit of the Issuer, the Initial Purchaser and any of their Affiliates, that, if it decides to resell or pledge 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 (as defined in Regulation S) in an offshore transaction in accordance with Rule 903 or Rule 904 (as applicable) under Regulation S.

(3) The purchaser is not purchasing such Regulation S Notes with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act.

(4) The purchaser understands that unless the Issuer determines otherwise in compliance with applicable law, such Notes will bear a legend set forth below.

EACH HOLDER OF A NOTE OR A BENEFICIAL INTEREST IN A NOTE ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES, BY ITS ACQUISITION OF A NOTE OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO REPRESENT TO THE ISSUER, THE TRUSTEE, BGCF OR THE COLLATERAL MANAGER AND THE INITIAL PURCHASER THAT IT (1) EITHER (A) IS NOT A "U.S. PERSON" AS DEFINED UNDER SECTION _.20 OF THE JOINT FINAL RULE ("U.S. RISK RETENTION RULES") TO IMPLEMENT THE CREDIT RISK RETENTION REQUIREMENTS OF SECTION 15G OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, OR (B) IT HAS RECEIVED THE WRITTEN CONSENT OF BGCF OR THE COLLATERAL MANAGER TO ACQUIRE SUCH NOTE OR BENEFICIAL INTEREST IN SUCH NOTE AND (2) IS NOT ACQUIRING SUCH NOTE OR BENEFICIAL INTEREST IN SUCH NOTE AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES (INCLUDING ACQUIRING THIS NOTE THROUGH A NON-U.S. PERSON, RATHER THAN A U.S. PERSON (IN EACH CASE, AS DEFINED UNDER THE U.S. RISK RETENTION RULES), AS PART OF A SCHEME TO EVADE THE 10 PER CENT. U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION __.20 OF THE U.S. RISK RETENTION RULES).

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S OF THE SECURITIES ACT (AS AMENDED) AND, IN THE CASE OF CLAUSE (A)(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 APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR, IN THE CASE OF CLAUSE (A)(2), IN A PRINCIPAL AMOUNT NOT LESS THAN €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY

RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED NOTEHOLDERS (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-1 NOTES, CLASS A-2 NOTES, CLASS B NOTES AND CLASS C 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 THIS NOTE OR ANY INTEREST HEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A VIOLATION OF ANY SIMILAR LAW, AND (II) IT WILL NOT SELL OR TRANSFER THIS NOTE (OR INTEREST HEREIN) TO AN ACQUIROR ACQUIRING THIS NOTE (OR INTEREST HEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH OR REPRESENTATION DESCRIBED 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 THIS NOTE 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 D NOTES, CLASS E NOTES AND SUBORDINATED NOTES IN THE FORM OF REGULATION S GLOBAL CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE (OR ANY INTEREST HEREIN) WILL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT THAT (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR (OTHER THAN BGCF AND THE COLLATERAL MANAGER PROVIDED THEY

HAVE GIVEN AN ERISA CERTIFICATE TO THE ISSUER AND (IN THE CASE OF BGCF) THE COLLATERAL MANAGER) A CONTROLLING PERSON AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE 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 THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") AND/OR SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY SIMILAR LAW. "BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED FOR THE PURPOSES OF 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA ("**PLAN ASSET REGULATION**"), 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 THIS NOTE (OR ANY INTEREST HEREIN) IN VIOLATION OF THE REQUIREMENTS SET FORTH OR REPRESENTATIONS DESCRIBED 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 THIS NOTE OR INTEREST HEREIN 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 D NOTE, CLASS E 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 D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS, AS DETERMINED PURSUANT TO THE PLAN ASSET REGULATION ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON OR SIMILAR LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS D NOTES, CLASS E NOTES AND SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE (OR ANY INTEREST HEREIN) WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER AND THE COLLATERAL MANAGER IN AN ERISA CERTIFICATE (A) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (B) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS 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, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") AND/OR SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") 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 NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE 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 AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY SIMILAR LAW. EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF THIS 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 FOR THE PURPOSES OF 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA ("**PLAN ASSET REGULATION**"), 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 THIS NOTE (OR ANY INTEREST HEREIN) IN VIOLATION OF THE REQUIREMENTS SET FORTH OR REPRESENTATIONS DESCRIBED 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 THIS NOTE (OR INTEREST HEREIN) 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 D NOTE, CLASS E 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 D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING

CLASS D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS, AS DETERMINED PURSUANT TO THE PLAN ASSET REGULATION ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON OR SIMILAR LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

EACH PURCHASER AND TRANSFEREE OF THIS NOTE OR INTEREST HEREIN THAT IS A BENEFIT PLAN INVESTOR SHALL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT TO THE ISSUER, ON EACH DAY FROM THE DATE ON WHICH SUCH BENEFICIAL OWNER ACQUIRES THIS NOTE OR INTEREST HEREIN THROUGH AND INCLUDING THE DATE ON WHICH IT DISPOSES OF THIS NOTE OR INTEREST HEREIN, AND AT ANY TIME WHEN REGULATION 29 C.F.R. SECTION 2510.3-21, AS MODIFIED IN 2016, IS APPLICABLE, THAT THE FIDUCIARY MAKING THE DECISION TO INVEST IN THIS NOTE ON ITS BEHALF (THE "**INDEPENDENT FIDUCIARY**") (A) IS A BANK, INSURANCE COMPANY, REGISTERED INVESTMENT ADVISER, BROKER-DEALER OR OTHER PERSON WITH FINANCIAL EXPERTISE, IN EACH CASE AS DESCRIBED IN 29 C.F.R. SECTION 2510.3-21(C)(1)(I); (B) IS AN INDEPENDENT PLAN FIDUCIARY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3- 21(C); (C) IS CAPABLE OF EVALUATING INVESTMENT RISKS INDEPENDENTLY, BOTH IN GENERAL AND WITH REGARD TO PARTICULAR TRANSACTIONS AND INVESTMENT STRATEGIES; (D) IS RESPONSIBLE FOR EXERCISING INDEPENDENT JUDGMENT IN EVALUATING THE ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE; AND (E) IS NOT PAYING AND HAS NOT PAID, AND THE BENEFIT PLAN INVESTOR IS NOT PAYING AND HAS NOT PAID ANY FEE OR OTHER COMPENSATION TO ANY OF THE ISSUER, THE INITIAL PURCHASER, THE TRUSTEE, THE COLLATERAL MANAGER OR THE COLLATERAL ADMINISTRATOR FOR INVESTMENT ADVICE (AS OPPOSED TO OTHER SERVICES) IN CONNECTION WITH ITS ACQUISITION OR HOLDING OF THIS NOTE. IN ADDITION, EACH SUCH PURCHASER OR TRANSFEREE WILL BE REQUIRED OR DEEMED TO ACKNOWLEDGE AND AGREE THAT THE INDEPENDENT FIDUCIARY (X) HAS BEEN INFORMED THAT NONE OF THE ISSUER, THE INITIAL PURCHASER, THE TRUSTEE, THE COLLATERAL MANAGER OR THE COLLATERAL ADMINISTRATOR, OR OTHER PERSONS THAT PROVIDE MARKETING SERVICES, NOR ANY OF THEIR AFFILIATES, HAS PROVIDED, AND NONE OF THEM WILL PROVIDE, IMPARTIAL INVESTMENT ADVICE AND THEY ARE NOT GIVING ANY ADVICE IN A FIDUCIARY CAPACITY, IN CONNECTION WITH THE PURCHASER OR TRANSFEREE'S ACQUISITION OR HOLDING OF THIS NOTE AND (Y) HAS RECEIVED AND UNDERSTANDS THE DISCLOSURE OF THE EXISTENCE AND NATURE OF THE FINANCIAL INTERESTS CONTAINED IN THE OFFERING CIRCULAR AND RELATED MATERIALS.

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 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.

EACH HOLDER OF A NOTE (OR ANY INTEREST THEREIN) INCLUDING ANY TRANSFEREE WILL PROVIDE THE ISSUER OR ITS AGENTS WITH ANY CORRECT, COMPLETE AND

ACCURATE INFORMATION THAT MAY BE REQUIRED FOR THE ISSUER TO COMPLY WITH FATCA 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 WITHIN 10 BUSINESS DAYS 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 AND EXPENSES 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 ISIN OR ISINS 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 OFFERING CIRCULAR FOR ALL U.S. FEDERAL INCOME TAX PURPOSES AND TO TAKE NO ACTION INCONSISTENT WITH SUCH TREATMENT UNLESS REQUIRED BY LAW.

NOTWITHSTANDING ANYTHING IN THE OFFERING CIRCULAR TO THE CONTRARY, EACH PROSPECTIVE INVESTOR (AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF EACH PROSPECTIVE INVESTOR) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE TAX TREATMENT AND TAX STRUCTURE OF AN INVESTMENT IN THE NOTES AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER TAX ANALYSES) THAT ARE PROVIDED TO THE PROSPECTIVE INVESTOR RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE. FOR THESE PURPOSES, THE TAX TREATMENT OF AN INVESTMENT IN THE NOTES MEANS THE PURPORTED OR CLAIMED U.S. FEDERAL INCOME TAX TREATMENT OF AN INVESTMENT IN THE NOTES. IN ADDITION, THE TAX STRUCTURE OF AN INVESTMENT IN THE NOTES INCLUDES ANY FACT THAT MAY BE RELEVANT TO UNDERSTANDING THE PURPORTED OR CLAIMED U.S. FEDERAL INCOME TAX TREATMENT OF AN INVESTMENT IN THE NOTES.

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 B NOTES, THE CLASS C NOTES, THE CLASS D NOTES AND THE CLASS E 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 COLLATERAL ADMINISTRATOR AT NEW BROAD STREET HOUSE, 35 NEW BROAD STREET, LONDON EC2M 1NH.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES AND THE SUBORDINATED NOTES ONLY*] [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, (II) IT IS A PERSON THAT IS ELIGIBLE FOR BENEFITS UNDER AN INCOME TAX TREATY WITH THE UNITED STATES THAT ELIMINATES U.S. FEDERAL INCOME TAXATION OF U.S. SOURCE INTEREST NOT ATTRIBUTABLE TO A PERMANENT ESTABLISHMENT IN THE UNITED STATES, OR (III) HAS PROVIDED AN INTERNAL REVENUE SERVICE FORM W-8ECI REPRESENTING THAT ALL PAYMENTS RECEIVED OR TO BE RECEIVED BY IT FROM THE ISSUER ARE EFFECTIVELY CONNECTED WITH THE CONDUCT OF A TRADE OR BUSINESS IN THE UNITED STATES, AND (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.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B NOTES AND CLASS C NOTES IN THE FORM OF CM NON-VOTING NOTES OR CM EXCHANGEABLE NON-VOTING NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL NOT CARRY ANY RIGHT TO VOTE IN RESPECT OF, OR BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A CM REMOVAL RESOLUTION AND/OR A CM REPLACEMENT RESOLUTION.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A-1 NOTES, CLASS A-2, CLASS B NOTES AND CLASS C NOTES IN THE FORM OF CM VOTING NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL CARRY A RIGHT TO VOTE IN RESPECT OF, AND BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A CM REMOVAL RESOLUTION AND/OR A CM REPLACEMENT RESOLUTION.]

(5) The purchaser understands that the Regulation S Notes may not, at any time, be held by, or on behalf of, U.S. persons (as defined in Regulation S) or U.S. Residents.

(6) The purchaser acknowledges that the Issuer, 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 Refinancing 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 Refinancing Notes of each Class are:

	Regulation S Notes		Rule 144A Notes	
	ISIN	Common Code	ISIN	Common Code
Class A-1 CM Voting Notes	XS1803209201	180320920	XS1803210803	180321080
Class A-1 CM Non-Voting Notes	XS1803209383	180320938	XS1803210985	180321098
Class A-1 CM Exchangeable Non-Voting Notes	XS1803209466	180320946	XS1803211017	180321101
Class A-2 CM Voting Notes	XS1803209540	180320954	XS1803211108	180321110
Class A-2 CM Non-Voting Notes	XS1803209623	180320962	XS1803211280	180321128
Class A-2 CM Exchangeable Non-Voting Notes	XS1803209896	180320989	XS1803211363	180321136
Class B CM Voting Notes	XS1803210043	180321004	XS1803211447	180321144
Class B CM Non-Voting Notes	XS1803209979	180320997	XS1803211520	180321152
Class B CM Exchangeable Non-Voting Notes	XS1803210126	180321012	XS1803211793	180321179
Class C CM Voting Notes	XS1803210399	180321039	XS1803211876	180321187
Class C CM Non-Voting Notes	XS1803210472	180321047	XS1803211959	180321195
Class C CM Exchangeable Non-Voting Notes	XS1803210555	180321055	XS1803212098	180321209
Class D Notes	XS1803210639	180321063	XS1803212171	180321217
Class E Notes	XS1803210712	180321071	XS1803212254	180321225

Listing

Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin for the Refinancing Notes to be admitted to the Official List and to trading on its regulated market. There can be no assurance that any such approval will be granted or, if granted, that such listing will be maintained.

Expenses in relation to Admission to Trading

The expenses in relation to the admission of the Refinancing Notes to trading will be approximately EUR 8,000.

Legal Entity Identifier (LEI)

The Issuer's LEI is 549300U4MCTO5672RE42.

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Ireland (if any) in connection with the issue and performance of the Refinancing Notes. The issue of the Refinancing Notes was authorised by resolutions of the board of Directors of the Issuer passed on 11 April 2018.

No Significant or Material Change

There has been no significant change in the financial or trading position or prospects of the Issuer since the date of its last financial statements dated 31 December 2016 and there has been no material adverse change in the financial position or prospects of the Issuer since the date of its last financial statements dated 31 December 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) during a period of 12 months, which may have or have had in the recent past, significant effects on the Issuer's financial position or profitability.

Accounts

So long as any Refinancing Note remains outstanding, copies of the most recent annual audited financial statements of the Issuer can be obtained at the specified offices of the Issuer during normal business hours. The last financial statements of the Issuer were in respect of the period ending on 31 December 2016. The annual accounts of the Issuer are audited. The Issuer does not prepare interim financial statements.

Listing Agent

Arthur Cox Listings Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Refinancing Notes and is not itself seeking admission of the Refinancing Notes to the Official List of the Irish Stock Exchange plc trading as Euronext Dublin or to trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin.

The auditors of the Issuer are Deloitte of Deloitte & Touche House, Earlsfort Terrace, Dublin 2, Ireland. Deloitte are chartered accountants and are members of the Institute of Chartered Accountants of Ireland and registered auditors qualified in practice in Ireland.

Documents Available

Copies of the following documents may be inspected in electronic format (and, in the case of each of (f) and (g) below, will be available for collection free of charge) at the registered offices of the Issuer during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Refinancing Notes.

(a) the Constitution of the Issuer;

(b) the Supplemental Trust Deed (which includes the form of each Refinancing Note of each Class) and the Trust Deed;

(c) the Agency and Account Bank Agreement;

(d) the Collateral Management and Administration Agreement;

(e) the 2018 Subscription Agreement;

(f) each Monthly Report;

(g) each Payment Date Report; and

(h) the audited financial statements of the Issuer as at and for the year ended 31 December 2016, together with the audit reports thereon.

INDEX OF DEFINED TERMS

ANNEX A

2016 Offering Circular

NOTICE

You must read the following disclaimer before continuing

THIS DOCUMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE TRANSMITTED INTO OR DISTRIBUTED WITHIN THE UNITED STATES TO PERSONS UNLESS SUCH PERSONS ARE EITHER (X) BOTH A "QUALIFIED INSTITUTIONAL BUYER" ("**QIB**") (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**")) IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT AND A "QUALIFIED PURCHASER" ("**QP**") FOR THE PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"), IN EACH CASE FOR ITS OWN ACCOUNT FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO THE DISTRIBUTION OF THE SECURITIES DESCRIBED HEREIN (EXCEPT IN ACCORDANCE WITH RULE 144A) OR (Y) NOT A "U.S. PERSON" AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**") WITH A VIEW TO PURCHASING THE SECURITIES DESCRIBED HEREIN IN AN "OFFSHORE TRANSACTION" WITHIN THE MEANING OF REGULATION S.

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

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

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

Confirmation of Your Representation: In order to be eligible to view the document or make an investment decision with respect to the securities, investors must either be (a) U.S. Persons that are both a QIB and a QP or (b) non-U.S. Persons (as defined in Regulation S under the Securities Act) with a view to purchasing the securities described herein in offshore transactions (within the meaning of Regulation S under the Securities Act). The document is being sent at your request and by accepting the e-mail and accessing the document, you shall be deemed to have represented to us that (1) you and any customers you represent are either (a) U.S. Persons that are both a QIB and a QP or (b) non-U.S. Persons, (2) such acceptance and access to the document by you and any customer that you represent is not unlawful in the jurisdiction where it is being made to you and any customers you represent and (3) you consent to delivery of the document by electronic transmission.

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

The document has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of Elm Park CLO Designated Activity Company, Deutsche Bank AG, London Branch, Blackstone / GSO Debt Funds Management Europe Limited, Blackstone / GSO Corporate Funding Designated Activity Company, Citigroup Global Markets Deutschland AG, Citibank, N.A. London Branch, Virtus Group LP (or any person who controls any of them or any director, officer, employee or agent of any of them, or any Affiliate of any such person) accepts any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and the hard copy version available to you on request from us.

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

ELM PARK CLO DESIGNATED ACTIVITY COMPANY

(a designated activity company incorporated under the laws of Ireland with registered number 574970 and having its registered office in Ireland)

€324,500,000 Class A-1 Senior Secured Floating Rate Notes due 2029
€60,500,000 Class A-2 Senior Secured Floating Rate Notes due 2029
€42,500,000 Class B Senior Secured Deferrable Floating Rate Notes due 2029
€26,250,000 Class C Senior Secured Deferrable Floating Rate Notes due 2029
€33,500,000 Class D Senior Secured Deferrable Floating Rate Notes due 2029
€14,000,000 Class E Senior Secured Deferrable Floating Rate Notes due 2029
€56,930,000 Subordinated Notes due 2029

The assets securing the Notes (as defined below) will consist of a portfolio of primarily Senior Obligations, Mezzanine Obligations and High Yield Bonds managed by Blackstone / GSO Debt Funds Management Europe Limited (the "**Collateral Manager**").

Elm Park CLO Designated Activity Company (the "**Issuer**") will issue the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes (each as defined herein) on or about 26 May 2016 (the "**Issue Date**").

The Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, Class D Notes and the Class E 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 Citibank, N.A. London Branch, in its capacity as trustee (the "**Trustee**").

Interest on the Notes will be payable quarterly in arrear on 15 April, 15 July, 15 October and 15 January 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 in October 2016 and ending on the Maturity Date (as defined below) in accordance with the Priorities of Payments described herein. For the avoidance of doubt, 15 April 2029 will not be a Payment Date.

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

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

This Offering Circular has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Directive 2003/71/EC (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 p.l.c. (the "**Irish Stock Exchange**") for the Notes to be admitted to the Official List (the "**Official List**") and trading on its regulated market (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 Offering Circular 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 Irish Account and the rights of the Issuer under the Corporate Services Agreement (each as defined herein)) of the Issuer will not be available for payment of such shortfall, all claims in respect of 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) TO NON-U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")) IN OFFSHORE TRANSACTIONS AS DEFINED IN 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 CERTAIN ACKNOWLEDGEMENTS, REPRESENTATIONS AND AGREEMENTS (ACTUAL OR DEEMED). SEE "*PLAN OF DISTRIBUTION*" AND "*TRANSFER RESTRICTIONS*".

The Notes are being offered by the Issuer through Deutsche Bank AG, London Branch in its capacity as initial purchaser 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.

Deutsche Bank AG, London Branch
Sole Arranger and Initial Purchaser

The date of this Offering Circular is 24 May 2016.

*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 the Collateral Manager, BGCF and their Affiliates", "Description of the Collateral Manager" and Blackstone / GSO Corporate Funding Designated Activity Company ("**BGCF**") accepts responsibility for the information contained in the section of this document headed "Description of BGCF and the Retention Requirements – Description of BGCF and its Business". To the best of the knowledge and belief of the Collateral Manager or BGCF (as applicable) (which in each relevant case such party 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. Except for the sections of this document headed "Risk Factors – Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Collateral Manager, BGCF and their Affiliates" and "Description of the Collateral Manager", in the case of the Collateral Manager, "Description of BGCF and the Retention Requirements – Description of BGCF and its Business", in the case of BGCF and "Description of the Collateral Administrator", in the case of the Collateral Administrator, none of the Collateral Manager, BGCF or the Collateral Administrator accept any responsibility for the accuracy and completeness of any information contained in this Offering Circular. The delivery of this Offering Circular at any time does not imply that the information herein is correct at any time subsequent to the date of this Offering Circular.*

*The Issuer has only made very limited enquiries with regards to the accuracy and completeness of the information under the section entitled "Risk Factors – Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Collateral Manager, BGCF and their Affiliates", "Description of the Collateral Manager", "Description of BGCF and the Retention Requirements – Description of BGCF and its Business", "Description of the Collateral Administrator" and "Risk Factors – Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Initial Purchaser and its Affiliates" in this Offering Circular (together, the "**Third Party Information**"). The Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer confirms that all sources of Third Party Information are cited where used. Prospective investors in the Notes should not rely upon, and should make their own independent investigations and enquiries in respect of, the accuracy and completeness of the Third Party Information. None of the Initial Purchaser, the Arranger, the Trustee, the Collateral Manager (save in respect of the sections headed "Risk Factors – Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Collateral Manager, BGCF and their Affiliates", "Description of the Collateral Manager"), BGCF (save in respect of the section headed "Description of BGCF and the Retention Requirements – Description of BGCF and its Business"), the Collateral Administrator (save in respect of the section headed "Description of the Collateral Administrator"), any Agent, any Hedge Counterparty or any other party has separately verified the information contained in this Offering Circular and, accordingly, none of the Initial Purchaser, the Arranger, the Trustee, the Collateral Manager (save as specified above), BGCF (save as specified above), the Collateral Administrator (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 Offering Circular or in any further notice or other document which may at any time be supplied in connection with the Notes or their distribution or accepts any responsibility or liability therefor. None of the Initial Purchaser, the Arranger, the Trustee, the Collateral Manager, BGCF, the Collateral Administrator, any Agent, any Hedge Counterparty or any other party undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the aforementioned parties which is not included in this Offering Circular. None of the Initial Purchaser, the Arranger, the Trustee, the Collateral Manager, BGCF, the Collateral Administrator, any Agent, any Hedge Counterparty (in each case other than as specified above) or*

any other party (save for the Issuer as specified above) accepts any responsibility for the accuracy or completeness of any information contained in this Offering Circular.

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

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

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

Each of Moody's Investors Service Ltd and Standard & Poor's Credit Market Services Europe Limited are established in the EU and are registered under Regulation (EC) No 1060/2009 (as amended) (the "**CRA Regulation**").

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

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

This Offering Circular has been approved by the Central Bank as required by the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) of Ireland (the "**Prospectus Regulations**"). This Offering Circular will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus Regulations.

The Issuer is not and will not be regulated by the Central Bank as a result of issuing the Notes. Any investment in the Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Central Bank.

NOTICE TO INVESTORS

RETENTION REQUIREMENTS

In accordance with the Retention Requirements, Blackstone / GSO Corporate Funding Designated Activity Company, in its capacity as the originator, will undertake to the Issuer, the Initial Purchaser, the Arranger, the Trustee and the Collateral Administrator in the Retention Undertaking Letter that, amongst other matters, on the Issue Date, it will acquire and hold on an ongoing basis for so long as any Class of Notes remains Outstanding, Subordinated Notes with an original Principal Amount Outstanding (such original Principal Amount Outstanding as calculated as of the date of issuance of such Subordinated Notes) representing no less than 5 per cent. of the greater of the Target Par Amount and the Collateral Principal Amount on the relevant date of determination. See further "*Description of BGCF and the Retention Requirements*".

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 Retention Requirements or any similar requirements. Notwithstanding anything in this Offering Circular to the contrary, none of the Issuer, the Collateral Manager, BGCF, the Initial Purchaser, the Arranger, the Collateral Administrator, the Trustee, their respective Affiliates, corporate officers or professional advisers 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 requirements of the Retention Requirements, the implementing provisions in respect of the Retention Requirements in their relevant jurisdiction or any other applicable legal, regulatory or other requirements. Each prospective investor in the Notes which is subject to the Retention Requirements or any other regulatory requirement should consult with its own legal, accounting, regulatory and other advisers and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of the Retention Requirements or similar requirements of which it is uncertain. *See "Risk Factors – Regulatory Initiatives*" below for further information.

VOLCKER RULE

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

A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act 1940 (the "**Investment Company Act**") but is exempt from registration therefrom solely in reliance on either section 3(c)(1) or 3(c)(7) of that Act, subject to certain exemptions and exclusions found in the Volcker Rule's implementing regulations. It is the intention of the Issuer and the Collateral Manager to structure the Issuer's affairs to comply with the requirements of Rule 3a-7 under the Investment Company Act which will mean, among other things, that the Issuer will not be expected to fall within the definition of a "covered fund" for the purposes of the Volcker Rule.

However, there can be no assurance that the Issuer will not be treated as a "covered fund" or that the Issuer will be viewed by a regulator in the United States as having complied with the requirements of Rule 3a-7. An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the covered fund, as well as through any right of the holder to participate in the selection or removal of, among others, an investment advisor, investment or collateral manager, or general partner, trustee, or member of the board of directors of the covered fund. It is uncertain whether any of the Rated Notes may be similarly characterised as ownership interests. For instance, there is currently uncertainty as to whether the rights of Noteholders to participate in the removal of, and/or selection of a replacement for, the Collateral Manager for cause in and of itself will be construed as indicative of an ownership interest by the Noteholders of the relevant Class of Notes. Such characterisation may have adverse effects on the Issuer and the liquidity and value of the

Notes, including limiting the secondary market of the Notes and affecting the Issuer's access to liquidity and ability to hedge its exposures.

If the Issuer is deemed to be a covered fund, then in the absence of regulatory relief, the provisions of the Volcker Rule and its related regulatory guidance, will prohibit or severely limit the ability of "banking entities" to hold an ownership interest in the Issuer or enter financial transactions with the Issuer. The holders of any of the Class A Notes, the Class B Notes and the Class C Notes in the form of CM Non-Voting Notes or CM Exchangeable Non-Voting Notes are disenfranchised in respect of any CM Removal Resolution or CM Replacement Resolution, which disenfranchisement is intended to exclude such Notes from within the definition of "ownership interest". However, there can be no assurance that these features will be effective in resulting in such investments in the Issuer by U.S. banking organisations and other banking entities subject to the Volcker Rule not being characterised as an "ownership interest" in the Issuer.

Investors should conduct their own analysis to determine whether the Issuer is a "covered fund" for their purposes. See further also "*Risk Factors – Regulatory Initiatives – Issuer Reliance on Rule 3a-7" and "Risk Factors – Regulatory Initiatives – Volcker Rule"*. In any event, if it were determined that the Issuer did not qualify for the exclusion provided by Rule 3a-7 there is a high likelihood that the Issuer would be determined to be a "covered fund".

Each investor is responsible for analysing its own position under the Volcker Rule and any other similar laws and regulations and none of the Issuer, the Initial Purchaser, the Collateral Manager, BGCF, the Trustee or the Arranger nor any of their Affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the application of the Volcker Rule to the Issuer, or to such investor's investment in the Notes on the Issue Date or at any time in the future.

INVESTMENT COMPANY ACT

As at the Issue Date, the Issuer has not been registered under the Investment Company Act in reliance on both Section 3(c)(7) of the Investment Company Act and Rule 3a-7. To qualify for the Rule 3a-7 exclusion, an issuer must, among other things, not acquire or dispose of "eligible assets" (as defined in Rule 3a-7) for the primary purpose of recognising gains or decreasing losses resulting from market value changes. The Issuer will be subject to certain Rule 3a-7 restrictions, including specifically restrictions on the acquisitions and disposals of assets pursuant to the Transaction Documents (including the Trading Requirements) with the intent that it will be excluded from being a "covered fund" within the meaning of the Volcker Rule; however, there can be no assurance that compliance with those restrictions will be adequate in order for the Issuer to avail itself of Rule 3a-7. The Issuer or the Collateral Manager (on behalf of the Issuer) has the right by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*)) to elect to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7, provided that the Issuer or the Collateral Manager (on behalf of the Issuer) has obtained a legal opinion (which shall be addressed to the Trustee) from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being considered to be a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule and, for so long as any of the Class A-1 Notes remain Outstanding, the holders of the Class A-1 Notes, acting by way of an Ordinary Resolution, have consented thereto. Investors should carry out their own analysis to determine whether the Issuer may be considered to be a "covered fund" for their purposes. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Collateral Manager, BGCF, the Initial Purchaser or the Arranger or any of their Affiliates makes any representation, warranty or guarantee to any prospective investor or purchaser of the Notes regarding the application of the Volcker Rule or Rule 3a-7 to the Issuer, or to such investor's investment in the Notes on the Issue Date or at any time in the future. See "*Risk Factors – Regulatory Initiatives –Volcker Rule*" and "*Risk Factors – Regulatory Initiatives – Issuer Reliance on Rule 3a-7*" below for further information.

Information as to placement within the United States and outside 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 SA/NV, as operator of the Euroclear system ("**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 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 both a QIB and a QP and will also be deemed to have made the representations set out in "*Transfer Restrictions*" herein. The purchaser of any Note, by such purchase, agrees that such Note is being acquired for its own account and not with a view to distribution (other than in the case of the Initial Purchaser) and may be resold or pledged only (1) to the Issuer (upon redemption thereof or otherwise), (2) to a U.S. Person that the purchaser reasonably believes is both a QIB and a QP, in a transaction meeting the requirements of Rule 144A, or (3) to a non-U.S. Person in an offshore transaction in reliance on Regulation S, in each case, in compliance with the Trust Deed and all applicable securities laws of any state of the United States or any other jurisdiction. See "*Transfer Restrictions*".

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

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

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

Available Information

To permit compliance with the Securities Act in connection with the sale of the Notes in reliance on Rule 144A, the Issuer will be required under the Trust Deed to furnish upon request to a holder or beneficial owner who is a QIB of a Note sold in reliance on Rule 144A or a prospective investor who is a QIB designated by such holder or beneficial owner the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request the Issuer is neither a reporting company under Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act. All information made available by the Issuer pursuant to the terms of this paragraph may also be obtained during usual business hours free of charge at the office of the Principal Paying Agent.

General Notice

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

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

Commodity Pool Regulation

BASED UPON INTERPRETIVE GUIDANCE PROVIDED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION (THE "**CFTC**"), THE ISSUER IS NOT EXPECTED TO BE TREATED AS A COMMODITY POOL AND AS SUCH, THE ISSUER (OR THE COLLATERAL MANAGER ON THE ISSUER'S BEHALF) MAY ENTER INTO HEDGE AGREEMENTS (OR ANY OTHER AGREEMENT THAT WOULD FALL WITHIN THE DEFINITION OF "SWAP" AS SET OUT IN THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "**CEA**")) FOLLOWING RECEIPT OF LEGAL ADVICE FROM REPUTABLE COUNSEL TO THE EFFECT THAT NONE OF THE ISSUER, ITS DIRECTORS OR OFFICERS, OR THE COLLATERAL MANAGER OR ANY OF ITS DIRECTORS, OFFICERS OR EMPLOYEES, SHOULD BE REQUIRED TO REGISTER WITH THE CFTC AS EITHER A "COMMODITY POOL OPERATOR" ("**CPO**") OR A "COMMODITY TRADING ADVISOR" ("**CTA**") (AS SUCH TERMS ARE DEFINED IN THE CEA) IN RESPECT OF THE ISSUER. IN THE EVENT THAT TRADING OR ENTERING INTO HEDGE AGREEMENTS WOULD RESULT IN THE ISSUER'S ACTIVITIES FALLING WITHIN THE DEFINITION OF A "COMMODITY POOL" UNDER THE COMMODITY EXCHANGE ACT, THE COLLATERAL MANAGER WOULD EITHER SEEK TO UTILISE ANY EXEMPTIONS FROM REGISTRATION AS A CPO AND/OR A CTA WHICH THEN MAY BE AVAILABLE, OR SEEK TO REGISTER AS A CPO/CTA. ANY SUCH EXEMPTION MAY IMPOSE ADDITIONAL COSTS ON THE COLLATERAL MANAGER, AND MAY SIGNIFICANTLY LIMIT ITS ABILITY TO ENGAGE IN HEDGING ACTIVITIES ON BEHALF OF THE ISSUER. IF THE COLLATERAL MANAGER IS REQUIRED TO REGISTER AS A CPO/CTA, IT WILL BECOME SUBJECT TO NUMEROUS AND ONEROUS REPORTING AND OTHER REQUIREMENTS AND SIGNIFICANT LIMITATIONS ON HOW IT MANAGES THE ISSUER AND THE TYPES OF INVESTMENTS IT MAY MAKE ON THE ISSUER'S BEHALF. IF THE COLLATERAL MANAGER IS REQUIRED TO REGISTER AS A CPO/CTA, IT IS EXPECTED THAT IT WILL INCUR SIGNIFICANT ADDITIONAL COSTS IN COMPLYING WITH ITS OBLIGATIONS UNDER THE CEA, WHICH COSTS ARE EXPECTED TO BE PASSED ON TO THE ISSUER AND WILL ADVERSELY AFFECT THE ISSUER'S ABILITY TO MAKE PAYMENT ON THE

NOTES. FURTHER, THE TRADING OR ENTERING INTO SUCH HEDGE AGREEMENTS MUST NOT ELIMINATE THE ISSUER'S ABILITY TO RELY ON RULE 3A-7 UNDER THE INVESTMENT COMPANY ACT, UNLESS AND UNTIL THE ISSUER OR THE COLLATERAL MANAGER (ACTING ON BEHALF OF THE ISSUER) ELECTS TO RELY SOLELY ON THE EXEMPTION UNDER SECTION 3(C)(7) UNDER THE INVESTMENT COMPANY ACT AND NO LONGER RELY ON THE EXCLUSION FROM THE INVESTMENT COMPANY ACT PROVIDED BY RULE 3A-7 IN ACCORDANCE WITH THE CONDITIONS.

TABLE OF CONTENTS

Page

TABLE OF CONTENTS

(continued)

OVERVIEW

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

Issuer	Elm Park CLO Designated Activity Company, a designated activity company incorporated under the laws of Ireland with registered number 574970 and having its registered office at 3rd Floor, Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.
Retention Holder	Blackstone / GSO Corporate Funding Designated Activity Company.
Collateral Manager	Blackstone / GSO Debt Funds Management Europe Limited.
Trustee	Citibank, N.A. London Branch.
Initial Purchaser	Deutsche Bank AG, London Branch.
Collateral Administrator	Virtus Group LP.

Notes

Class of Notes	Principal Amount	Initial Stated Interest Rate[1]	Alternative Stated Interest Rate[2]	Moody's Ratings of at least[3]	S&P of at least[3]	Maturity Date	Initial Offer Price[4]
A-1	€324,500,000	3 month EURIBOR +1.5%	6 month EURIBOR +1.5%	"Aaa (sf)"	"AAA (sf)"	16 April 2029	100.00%
A-2	€60,500,000	3 month EURIBOR +2.1%	6 month EURIBOR +2.1%	"Aa2 (sf)"	"AA (sf)"	16 April 2029	100.00%
B	€42,500,000	3 month EURIBOR +3.15%	6 month EURIBOR +3.15%	"A2 (sf)"	"A (sf)"	16 April 2029	99.67%
C	€26,250,000	3 month EURIBOR +4.35%	6 month EURIBOR +4.35%	"Baa2 (sf)"	"BBB (sf)"	16 April 2029	97.03%
D	€33,500,000	3 month EURIBOR	6 month EURIBOR	"Ba2 (sf)"	"BB (sf)"	16 April 2029	92.48%

		+6.40%	+6.40%				
E	€14,000,000	3 month EURIBOR +8.65%	6 month EURIBOR +8.65%	"B2 (sf)"	"B- (sf)"	16 April 2029	81.57%
Subordinated Notes	€56,930,000	Residual	Residual	Not Rated	Not Rated	16 April 2029	100.00%

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1 Applicable at all times prior to the occurrence of a Frequency Switch Event, provided that the rate of interest of the Floating Rate Notes of each Class for (x) the period from the Issue Date to (but excluding) the First EURIBOR Period End Date, will be determined by interpolating linearly between (i) one month Euro deposits and (ii) three month Euro deposits, and (y) the remainder of such first Accrual Period, will be determined by reference to three month Euro deposits, *provided that* EURIBOR applicable in respect of the entire initial first Accrual Period shall be a weighted average of the rate determined pursuant to (x) and (y) equal to:

(i) the sum of:

(A) EURIBOR in respect of the period from (and including) the Issue Date to (but excluding) the First EURIBOR Period End Date (such rate determined pursuant to paragraphs (x) above) *multiplie*d *by* the actual number of days from (and including) the Issue Date to (but excluding) the First EURIBOR Period End Date; and

(B) EURIBOR in respect of the period from (and including) the First EURIBOR Period End Date to (but excluding) the first Payment Date (such rate determined as at the first Interest Determination Date pursuant to paragraph (y) above) *multiplied by* the actual number of days from (and including) the First EURIBOR Period End Date to (but excluding) the first Payment Date; *divided by*

(ii) The actual number of days from (and including) the Issue Date to (but excluding) the first Payment Date.

2 Applicable at all times following the occurrence of a Frequency Switch Event, provided that the rate of interest of the Floating Rate Notes of each Class for the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date will, if such final mentioned Payment Date falls in January 2029, be determined by reference to three month EURIBOR.

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

4 As of the date of this Offering Circular, each of the Rating Agencies is established in the European Union ("**EU**") and is registered under 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.

5 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, in each case, who are QIB/QPs in reliance on Rule 144A.

Distributions on the Notes

Payment Dates	15 April, 15 July, 15 October and 15 January prior to the occurrence of a Frequency Switch Event and on 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 April and 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 in October 2016 and ending on the Maturity Date (which shall fall on 16 April 2029 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) (subject to any earlier redemption of the Notes and in each case to adjustment for non Business Days in accordance with the Conditions). For the avoidance of doubt, 15 April 2029 will not be a Payment Date.
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 October 2016) 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 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 B Notes, Class C Notes, Class D Notes or Class E 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 B Notes, Class C Notes, Class D Notes or the Class E Notes are not made on the relevant Payment Date, an amount equal to such unpaid interest on such Classes of Notes will be added to the principal amount of the Class B Notes, Class C Notes, Class D Notes and the Class E 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, subject to the more detailed provisions of Condition 7 (*Redemption and Purchase*):

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

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

(c) on any Payment Date after the expiry of the Reinvestment Period following a Determination Date on which the Post-Reinvestment Period Par Value 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 or the Post-Reinvestment Period Par Value Test*));

(d) if, as at the Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, the Rated Notes shall be redeemed in accordance with the Note Payment Sequence on such Payment Date and thereafter on each subsequent Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payments, in each case until the Rated Notes are redeemed in full or, if earlier, until such Effective Date Rating Event is no longer continuing (see Condition 7(e) (*Redemption Upon Effective Date Rating Event*));

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

(f) 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 20 consecutive Business Days, to identify additional Collateral Obligations or 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, the Collateral Manager may elect, in its sole and absolute discretion, to designate all or a portion of those funds as a Special Redemption Amount (see Condition 7(d) (*Special Redemption*));

(g) in whole (with respect to all Classes of Rated Notes) but not in part on any Payment Date following the expiry of the Non-Call Period (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) 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) (O*ptional Redemption in Whole – Subordinated Noteholders*));

(h) in part by the redemption in whole of one or more Classes of Rated Notes from Refinancing Proceeds on any Payment Date following the expiry of the Non-Call Period (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) 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 or Classes of such Rated Notes (see Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*));

(i) on any Business Day on or after the redemption or repayment in full of the Rated Notes, the Subordinated Notes may be redeemed, in whole but not in part, at the direction of (i) the holders of the Subordinated Notes (acting by way of Ordinary Resolution) or (ii) the Collateral Manager (subject to the consent of the Subordinated Noteholders (acting by way of Ordinary Resolution)) (see Condition 7(b)(viii) (*Optional Redemption of Subordinated Notes*));

(j) on any Payment Date following the occurrence of a Collateral Tax Event (provided that, to the extent the

Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) in whole (with respect to all Classes of Rated Notes) at the option of the Subordinated Noteholders (acting by way of Extraordinary Resolution) (see Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*));

(k) in whole (with respect to all Classes of Notes) but not in part on any Payment Date following the expiry of the Non-Call Period (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) 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*));

(l) in whole (with respect to all Classes of Notes) on any Business Day at the option of (i) the Controlling Class or (ii) the holders of the Subordinated Notes, in each case acting by way of Extraordinary Resolution (and provided, in each case, that the relevant event affects the payment of principal or interest in respect of such Class of Notes), following the occurrence of a Note Tax Event, subject to (i) the Issuer having certified to the Trustee that it is unable to effect steps which would prevent the continuation of such Note Tax Event; and (ii) certain minimum time periods. See Condition 7(g) (*Redemption Following Note Tax Event*); and

(m) 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 April 2018 (the "**Non-Call Period**"), the Notes will not be subject to any 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 (i) 100 per cent. of the Principal Amount Outstanding of the Notes to be redeemed (which includes for the avoidance of doubt, in the case of the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, any accrued and unpaid Deferred Interest which has been capitalised pursuant to Condition 6(c) (*Deferral of Interest*) on such Notes) plus (ii) 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 (if any) or, if greater, its *pro rata* share (calculated in accordance with paragraph (DD) of the Interest Priority of Payments, paragraph (V) of the Principal Priority of Payments or paragraph (Y) of the Post-Acceleration Priority of Payments (as applicable)) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover, remaining following application thereof in accordance with the Priorities of Payments. In each case, the payment of the relevant Redemption Price will be subject to Condition 4(c) (*Limited Recourse and Non-Petition*).
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 (deemed or otherwise) which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), and other than in connection with an Optional Redemption in whole pursuant to Condition 7(b) (*Optional Redemption*) or in connection with a redemption in whole pursuant to Condition 7(g) (*Redemption Following Note Tax Event*), Interest Proceeds will be applied in accordance with the Interest 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 Default*), Interest Proceeds and Principal Proceeds will be applied in accordance with the Post-Acceleration Priority of Payments, in each case as described in the Conditions.
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 – Fees*".
Subordinated Management Fee	0.35 per cent. per annum of the Collateral Principal Amount. See "*Description of the Collateral Management and Administration Agreement – Fees*".
Incentive Collateral Management Fee	The Collateral Manager will be entitled to an Incentive Collateral Management Fee of 0.10 per cent. per annum of Collateral Principal Amount and such fee shall accrue in arrear on each Payment Date from the Issue Date. The Incentive Collateral Management Fee will not be payable until the first 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, up to 30 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 or pursuant to Condition 3(k)(vi) (*Supplemental Reserve Account*) will be applied to pay the accrued and unpaid 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 taken 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 Irish Account and the Corporate Services 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. 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 Non-Emerging Market 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*".

Purchase of Collateral Obligations

Initial Portfolio

On or before the Issue Date, the Issuer will have entered into binding commitments to acquire the Issue Date BGCF Assets from BGCF pursuant to certain forward purchase agreements between BGCF and the Issuer. The Collateral Manager (on behalf of the Issuer) has independently reviewed and assessed each such Collateral Obligation subject to the Eligibility Criteria and certain other restrictions.

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; and

(b) 30 September 2016, 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, the Trading Requirements (so long as they are applicable) and certain other restrictions. See "*The Portfolio – Acquisition of Collateral Obligations*".

Reinvestment Period

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

(a) 15 April 2020 or, if such day is not a Business Day, then the next succeeding Business Day, unless it would fall in the following month, in which case it shall be the immediately preceding Business Day;

(b) the date of the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) (provided that such Acceleration Notice (deemed or otherwise) has not been rescinded or annulled in accordance with Condition 10(c) (*Curing 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 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. See "*The Portfolio – Acquisition of Collateral Obligations*".

Sale of Collateral Obligations

Subject to the limits described in the Collateral Management and Administration Agreement (including the Trading Requirements (so long as they are applicable)), 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 (in accordance with the Priorities of Payments), the Collateral Manager, on behalf of the Issuer, will be required to use reasonable endeavours to purchase Substitute Collateral Obligations meeting the Eligibility Criteria, the Trading Requirements (so long as they are applicable) and the Reinvestment Criteria during the Reinvestment Period.

Following the expiry of the Reinvestment Period, only Sale Proceeds from the sale of Credit Risk 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, the Trading Requirements (so long as they are applicable) and the Reinvestment Criteria. See "*The Portfolio – Sale of Issue Date Collateral Obligation*" 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 also satisfy the Eligibility Criteria on the Issue Date. See "*The Portfolio – Eligibility Criteria*".

Restructured Obligations

In order for a Collateral Obligation which is the subject of a restructuring to qualify as a Restructured Obligation, such Collateral Obligation must satisfy the Restructured Obligation Criteria and the Trading Requirements (so long as they are applicable) as at the applicable Restructuring Date. See "*The Portfolio – Restructured Obligations*".

Trading Requirements

The Issuer may not acquire or dispose of any item of Collateral or other "eligible asset" (as defined in Rule 3a-7) for the primary purpose of recognising gains or decreasing losses resulting from market value changes and must otherwise comply with the Trading Requirements (so long as they are applicable). The Trading Requirements shall be deemed to have been satisfied in respect of any acquisition or disposal of a Collateral Enhancement Obligation if the Issuer obtains a legal opinion of reputable international legal counsel knowledgeable in such matters to the effect that (i) such acquisition or disposal shall not require any of the Issuer, its Directors or officers or the Collateral Manager, its directors, officers or employees to register with the United States Commodity Futures Trading Commission as a commodity pool operator or a commodity trading advisor pursuant to the United States Commodity Exchange Act of 1936, as amended, and (ii) unless and until the Issuer elects to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act, that such acquisition or disposal will not eliminate the Issuer's ability to rely on Rule 3a-7.

Collateral Quality Tests

The Collateral Quality Tests will comprise the following:

(a) for so long as any of the Rated Notes are rated by Moody's and are Outstanding:

  (i) the Moody's Minimum Diversity Test;

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

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

(b) for so long as any of the Rated Notes are rated by S&P and are Outstanding:

  (i) (as of the Effective Date and until the expiry of the Reinvestment Period only) the S&P CDO Monitor Test; and

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

(c) for so long as any of the Rated Notes are Outstanding:

(i) the Minimum Weighted Average Floating Spread Test; and

(ii) the Weighted Average Life Test.

Each of the Collateral Quality Tests is defined in the Collateral Management and Administration Agreement and described in "*The Portfolio – Portfolio Profile Tests and Collateral Quality Tests*".

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 Obligations in aggregate	90.0%	N/A
b)	Secured Senior Loans (which term, for these purposes, 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))	70.0%	N/A
c)	Unsecured Senior Loans, Second Lien Loans, Mezzanine Obligations, High Yield Bonds and/or First Lien Last Out Loans in aggregate	N/A	10.0%
d)	Collateral Obligations of a single Obligor	N/A	2.5%
e)	Collateral Obligations of a single Obligor (Secured Senior Obligations)	N/A	2.5%
f)	Collateral Obligations of a single Obligor (Collateral Obligations which are not Secured Senior Obligations)	N/A	1.5%
g)	Non-Euro Obligations (conditional upon a corresponding Currency Hedge Transaction being entered into by the Issuer)	N/A	30.0%
h)	Participations	N/A	5.0% (excluding Issue Date BGCF Assets)

i)	Current Pay Obligations	N/A	5.0%
j)	Unfunded Amounts/Funded Amounts under Revolving Obligations/Delayed Drawdown Collateral Obligations	N/A	5.0%
k)	S&P CCC Obligations	N/A	7.5%
l)	Moody's Caa Obligations	N/A	7.5%
m)	Bridge Loans	N/A	3.0%
n)	Corporate Rescue Loans	N/A	5.0%
o)	PIK Securities	N/A	5.0%
p)	Fixed Rate Collateral Obligations	N/A	5.5%
q)	S&P Industry Classification Group	N/A	12%, provided that up to two Industry Classification Groups may each comprise no more than 15% and further provided that any three S&P Industry Classification Groups may together comprise no more than 40.0%
r)	Obligations with a Moody's Rating which is derived from an S&P Rating	N/A	10.0%
s)	Obligations with an S&P Rating which is derived from a Moody's Rating	N/A	10.0%
t)	Domicile of Obligors 1	N/A	10% Domiciled in countries or jurisdictions rated below "A-" by S&P unless Rating Agency Confirmation from S&P is obtained in relation to the non-application of such limit.
u)	Domicile of Obligors 2	N/A	10.0% Domiciled in countries with a Moody's local currency country risk ceiling of "A1" or below by Moody's unless Rating Agency Confirmation from Moody's is obtained in relation to the non-application of such limit.
v)	Cov-Lite Loans	N/A	30.0%
w)	Cov-Lite Obligations	N/A	80.0%
x)	Obligors Domiciled in Greece, Portugal, Spain or Italy	N/A	10.0%

y)	Obligations of an Obligor which is a Portfolio Company	N/A	20.0%
z)	Collateral Obligations of ten largest Obligors	N/A	20.0%
aa)	Obligors whose total indebtedness is between EUR 100 million and EUR 200 million (inclusive) or the equivalent thereof at the Spot Rate	N/A	7.5%
bb)	Bivariate Risk Table	N/A	See limits set out in "*The Portfolio - Bivariate Risk Table*"

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	133.86%
B	121.65%
C	115.71%
D	108.13%

Class	Required Interest Coverage Ratio
A	120.0%
B	115.0%
C	110.0%
D	105.0%

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 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 and all other tests and

	criteria applicable to the Portfolio at any time and shall be treated as if such sale had been completed.
Reinvestment Par Value Test	If the Class D Par Value Ratio is less than 108.88 per cent., as of any Determination 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 (i) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (W) of the Interest Priority of Payments and (ii) the amount which, after giving effect to such payment, would be sufficient to cause the Reinvestment Par Value Test to be satisfied as of such Payment Date after giving effect to such payment.
Post-Reinvestment Period Par Value Test	If the Class D Par Value Ratio is less than 108.88 per cent., as of any Determination Date after the expiry of the Reinvestment Period, on the related Payment Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes in accordance with and subject to the Note Payment Sequence in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until such test is satisfied if recalculated following such redemption.
Authorised Denominations	The Regulation S Notes of each Class will be issued in Minimum Denominations of €100,000 and Authorised Integral Amounts of €1,000 in excess thereof. The Rule 144A Notes of each Class will be issued in Minimum Denominations of €250,000 and Authorised Integral Amounts 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 D Notes, the Class E Notes and the Subordinated Notes, as described below) sold to non-U.S. Persons in offshore transactions 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 SA/NV, as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"). Beneficial interests in a Regulation S Global Certificate may at any time be held only through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*". The Rule 144A Notes of each Class (other than, in certain circumstances, the Class D Notes, the Class E Notes and the Subordinated Notes as described below) sold in reliance on

Rule 144A to U.S. Persons, in each case, who are both QIBs and QPs will be represented on issue by beneficial interests in 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 (other than the Initial Purchaser) in: (a) any Subordinated Notes in the form of Rule 144A Notes or (b) any Subordinated Notes in the form of Regulation S Notes, purchased on the Issue Date will be required to enter into a subscription agreement with the Initial Purchaser in which such investor will certify as to, among other matters, its status under the Securities Act, the Investment Company Act and ERISA. Each initial investor and each transferee of a Class D Note, Class E Note or a Subordinated Note (or any interest therein) shall be deemed, and in certain circumstances required, to represent (among other things), that it is not a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor and, other than BGCF and the Collateral Manager provided they have given an ERISA

certificate (substantially in the form of Annex A to this Offering Circular) to the Issuer, that it is not and is not acting on behalf of, a Controlling Person. However, notwithstanding the foregoing, an investor that is a Controlling Person or a Benefit Plan Investor or acting on behalf of a Controlling Person or Benefit Plan Investor, may acquire such Class D Note, Class E Note or Subordinated Note (or any interest therein) in Definitive Certificate form if such transferee: (i) obtains the written consent of the Issuer; and (ii) provides an ERISA certificate (substantially in the form of Annex A to this Offering Circular) to the Issuer as to its status as a Benefit Plan Investor or Controlling Person. Notwithstanding the foregoing, in all events, BGCF and the Collateral Manager, provided they have given an ERISA certificate (substantially in the form of Annex A to this Offering Circular) to the Issuer, may hold Class D Notes, Class E Notes or Subordinated Notes (as applicable) in the form of Definitive Certificates, Regulation S Global Certificates or Rule 144A Global Certificates, regardless of whether they are a Controlling Person or a Benefit Plan Investor or acting on behalf of a Controlling Person or Benefit Plan Investor for the purposes of ERISA. No proposed purchase or transfer of Class D Notes, Class E Notes or Subordinated Notes (or interests therein), in any form, will be permitted or recognised if a purchase or transfer to a transferee will cause 25 per cent. or more of the total value of the Class D Notes, Class E Notes or Subordinated Notes (determined separately by class) to be held by Benefit Plan Investors, disregarding Class D Notes, Class E Notes or Subordinated Notes (or interests therein) held by Controlling Persons, as determined under ERISA and applicable U.S. Department of Labor regulations. See "*Certain ERISA Considerations*".

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 make certain acknowledgements, representations and agreements (actual or deemed). 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*).

CM Voting Notes, CM Exchangeable Non-Voting Notes and CM Non-Voting Notes

The Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes, may, in each case, be in the form of CM Voting Notes, CM Non-Voting Notes or CM Exchangeable Non-Voting Notes. CM Voting Notes shall carry a right to vote in respect of, and be counted for the purposes of determining a quorum and the result of voting on any CM Replacement Resolutions and any CM Removal

	Resolutions. CM Non-Voting Notes and CM Exchangeable Non-Voting Notes shall not carry any rights in respect of, or be counted for the purposes of determining a quorum and the result of voting on any CM Removal Resolution and/or any CM Replacement Resolution but shall carry a right to vote on and be counted in respect of all other matters in respect of which the CM Voting Notes have a right to vote and be counted. CM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into CM Exchangeable Non-Voting Notes or CM Non-Voting Notes. CM Exchangeable Non-Voting Notes shall be exchangeable upon request by the relevant Noteholder into: (i) CM Non-Voting Notes at any time; or (ii) CM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor upon request of the relevant transferee or transferor and in no other circumstance. CM Non-Voting Notes shall not be exchangeable at any time into CM Voting Notes or CM Exchangeable Non-Voting Notes. Any Class A-1 Notes, Class A-2 Notes, Class B Notes and Class C Notes held by or on behalf of the Collateral Manager or any of its Affiliates shall only be held in the form of CM Exchangeable Non-Voting Notes.
Governing Law	The Notes, the Trust Deed, the Collateral Management and Administration Agreement, the Agency and Account Bank Agreement, the Retention Undertaking Letter and all other Transaction Documents (save for the Corporate Services Agreement, which is governed by the laws of Ireland) will be governed by English law.
Listing	This Offering Circular has been approved by the Central Bank, as competent authority under 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 for the Notes to be admitted to the Official List and trading on its regulated 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 Offering Circular 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 to the Noteholders is required of the Issuer. 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*).
Retention Requirements	The Retention Notes will be acquired by BGCF on the Issue Date and, pursuant to the Retention Undertaking Letter, BGCF will undertake to retain the Retention Notes with the intention of complying on an ongoing basis with the Retention Requirements. See "*Description of BGCF and the Retention Requirements*" and "*Risk Factors – Regulatory Initiatives*".

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 Offering Circular*, prior to investing in any Notes. Terms not defined in this section and not otherwise defined above have the meanings set out in Condition 1 (Definitions) of the "Terms and Conditions of the Notes".*

1 GENERAL

1.1 General

It is intended that the Issuer will invest in 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 Offering Circular carefully and should consider, among other things, the risk factors set out in this section before deciding whether to invest in the Notes. Except as is otherwise stated below, such risk factors are generally applicable to all Classes of Notes, although the degree of risk associated with each Class of Notes will vary in accordance with the position of such Class of Notes in the Priorities of Payments. See Condition 3(c) (*Priorities of Payments*). In particular (i) payments in respect of the Class A-1 Notes are generally higher in the Priorities of Payments than those of the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes; (ii) payments in respect of the Class A-2 Notes are generally higher in the Priorities of Payments than those of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes; (iii) payments in respect of the Class B Notes are generally higher in the Priorities of Payments than those of the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes; (iv) payments in respect of the Class C Notes are generally higher in the Priorities of Payments than those of the Class D Notes, the Class E Notes and the Subordinated Notes; (v) payments in respect of the Class D Notes are generally higher in the Priorities of Payments than those of the Class E Notes and the Subordinated Notes; and (vi) payments in respect of the Class E Notes are generally higher in the Priorities of Payments than those of the Subordinated Notes. Neither the Initial Purchaser nor the Trustee undertake to review the financial condition or affairs of the Issuer or the Collateral Manager during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Initial Purchaser or the Trustee which is not included in this Offering Circular.

1.2 Suitability

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

1.3 Limited Resources of Funds to Pay Expenses of the Issuer

The funds available to the Issuer to pay its expenses on any Payment Date are limited as provided in the Priorities of 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, accounting and regulatory changes could occur over the course of the life of the Notes that may adversely affect the Issuer. The regulatory environment for vehicles of the nature of the Issuer is evolving, and changes in 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 statutory, regulatory and margin requirements. Certain regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and vehicles that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Issuer could be substantial and adverse.

1.5 Events in the CLO and Leveraged Finance Markets

Over the past several years, European financial markets have experienced volatility and have been adversely affected by concerns over economic contraction in certain EU member states, 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.

1.6 Euro and Euro Zone Risk

The ongoing deterioration of the sovereign debt of several countries, in particular Greece, together with the risk of contagion to other, more stable, countries, particularly France and Germany, has exacerbated the global economic crisis. This situation has also raised a number of uncertainties regarding the stability and overall standing of the European Economic and Monetary Union and may result in changes to the composition of the Euro zone. The economic crisis in Greece is particularly acute and topical.

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 (the "**ESM**"), 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.

1.7 UK Referendum on Membership of the European Union

A referendum on UK membership of the European Union will be held on 23 June 2016 and may affect the Issuer's risk profile through introducing potentially significant new uncertainties and instability in financial markets ahead of the date of the referendum and, depending on the outcome, after the event. These uncertainties could have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects, as well as those of the Obligors. In addition, it is unclear at this stage what the consequences would be for the Issuer, the Collateral Manager (in its capacity as collateral manager) or any other party in respect of the transaction described in this Offering Circular or individual Obligors should the UK leave the European Union.

1.8 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. There remain several actions in the U.S. commenced by the Lehman Brothers Chapter 11 debtors concerning the enforceability of flip clauses. Given the current state of U.S. and English law, this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies.

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

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

1.9 Foreign Account Tax Compliance Act Withholding

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income, and on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into between the United States and Ireland, the Issuer will not be subject to withholding under FATCA if it complies with Irish regulations that require the Issuer to provide the name, address, and taxpayer identification number of, and certain other information (including its direct or indirect owners or beneficial owners) with respect to, certain Noteholders to the Irish Revenue Commissioners, which would then provide this information to the IRS. There can be no assurance that the Issuer will be able to comply with these regulations. In addition, the intergovernmental agreement could be amended to require the Issuer to withhold on "passthru" payments to certain investors that fail to provide information to the Issuer or are "foreign financial institutions" that do not comply with FATCA.

The Issuer may be prohibited from complying with FATCA if a "related entity" of the Issuer or, if applicable, any member of the same "expanded affiliated group" as the Issuer is subject to FATCA but fails to comply with FATCA. Although subject to uncertainty, only the related entity rules and not the expanded affiliated group rules should be applicable, and BGCF should not be treated as a related entity of the Issuer. If, however, BGCF is treated as a related entity of the Issuer (or if the expanded affiliated group rules are applicable to the Issuer) and either BGCF or any other related entity of the Issuer (or if applicable, any member of the Issuer's expanded affiliated group) fails to maintain its status as compliant with FATCA, the Issuer could be prohibited from being treated as compliant with FATCA.

If a Noteholder fails to provide the Issuer or its agents with any correct, complete and accurate information that may be required for the Issuer to comply with FATCA and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer, or if the Noteholder's ownership of any Notes would otherwise cause the Issuer to be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise distributable to the Noteholder, to compel the Noteholder to sell its Notes, and, if the Noteholder does not sell its Notes within 30 business days after notice from the Issuer, to sell the Noteholder's

Notes on behalf of the Noteholder. Similarly, a beneficial owner of Notes that holds its Notes through an intermediary may be subject to withholding tax on distributions on the Notes or forced sale of its interest in the Notes if it fails to provide certifications and certain other information (including its direct or indirect owners or beneficial owners) about itself required under FATCA.

1.10 United States Federal Income Tax Treatment of the Issuer

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 (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 its net income will not become subject to U.S. federal income tax as the result of unanticipated activities, changes in law, contrary conclusions by the U.S. tax authorities or other causes. If the Issuer were determined to be engaged in a trade or business within the United States, its income that is effectively connected with such U.S. trade or business would be subject to U.S. federal income tax at the regular corporate rate, and possibly to a branch profits tax of 30 per cent. as well. The imposition of such taxes would materially impair the Issuer's financial ability to make payments and distributions on the Notes. See "*Tax Considerations – United States Federal Income Taxation – United States Taxation of the Issuer*."

1.11 The Issuer is Expected to be Treated as a Passive Foreign Investment Company

The Issuer is expected to be 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) may be subject to adverse tax consequences unless such Noteholder elects to treat the Issuer as a qualified electing fund and to recognise currently its proportionate share of the Issuer's income whether or not distributed to such U.S. holder. In addition, depending on the overall ownership of interests in the Issuer, a U.S. holder of 10 per cent. or more of the Subordinated Notes may be treated as a U.S. shareholder in a controlled foreign corporation and required to recognise currently its proportionate share of the "subpart F income" of the Issuer, whether or not distributed to such U.S. holder. A U.S. holder that makes a qualified electing fund election, or that is required to include subpart F income in the event that the Issuer is treated as a controlled foreign corporation, may recognise income in amounts significantly greater than the payments received from the Issuer. Taxable income may exceed cash payments when, for example, the Issuer uses earnings to repay principal on the Notes or accrues income on the Collateral Obligations prior to the receipt of cash or the Issuer discharges its debt at a discount. A U.S. holder that makes a qualified electing fund election or that is required to recognise currently its proportionate share of the subpart F income of the Issuer will be required to include in the current income its *pro rata* share of such earnings, income or amounts whether or not the Issuer actually makes any payments to such Noteholder. The Issuer will cause, at the Issuer's expense, its independent accountants to supply U.S. holders of the Subordinated Notes (and any other Class of Notes treated as equity for U.S. federal income tax purposes) at such holder's request with the information reasonably available to the Issuer that a U.S. holder reasonably requests to satisfy filing requirements under the qualified electing fund election or the controlled foreign corporation rules.

1.12 Irish Value Added Tax Treatment of the Collateral Management Fees

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

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

On 9 December 2015, the European Court of Justice ("**ECJ**") handed down its judgment in the case of *Staatssecretaris van Financiën v Fiscale Eenheid X NV* cs Case C-595/13 which concerned whether a Dutch real estate fund qualified as a "special investment fund" under the Directive. The Court decided that the power accorded to EU member states to define the meaning of "special investment funds" must be exercised consistently with the objectives pursued by the Directive and with the principle of "fiscal neutrality", and accordingly that the following are "special investment funds": (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). The Court did not answer the question of whether the fund the subject of its decision constituted a "special investment fund", including the question of whether the fund was subject to "specific State supervision", leaving this to the national court to determine.

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

If Irish value added tax were imposed on the Collateral Management Fees, the amount of tax due would likely be significant, but this will not constitute a Note Tax Event in accordance with the Conditions.

1.13 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*).

1.14 EU Financial Transaction Tax

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the "**Commission's Proposal**") for a FTT ("**FTT**") to be adopted in certain participating EU member states (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"), although Estonia has since stated that it will not participate. If the Commission's Proposal was adopted in its current form, 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 or principal than expected. None of the Issuer, the Principal Paying Agent or any other person would, pursuant to the Conditions of the Notes, be required to pay additional amounts as a result of any such tax liabilities. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Notes (including secondary market transactions) if the conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's Proposal. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are exempt.

The FTT proposal remains subject to negotiation between the 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.

1.15 Action Plan on Base Erosion and Profit Shifting

In July 2013 the Organisation for Economic Co-operation and Development ("**OECD**") published an Action Plan as part of its Base Erosion and Profit Shifting project ("**BEPS**"), which proposed fifteen actions intended to counter international tax base erosion and profit shifting. The focus of one of the action points ("**Action 6**") is the prevention of treaty abuse by developing model treaty provisions to prevent the granting of treaty benefits in inappropriate circumstances. The definition of "permanent establishment" and the scope of the exemption for an "agent of independent status" have also been considered under action point 7 ("**Action 7**"). Other action points may affect the tax position of the Issuer.

On 5 October 2015 the OECD released its final reports, analysis and recommendations, in respect of the fifteen actions it identified as part of its action plan including in respect of Action 6 and Action 7. This final report has been endorsed by G20 Leaders during their annual summit on 15-16 November 2015 in Antalya Turkey.

Action 6

It is expected that the Issuer will rely on the interest and other articles of treaties entered into by the Ireland to be able to receive payments from some Obligors free from withholding taxes that might otherwise apply. The final recommendation of the OECD for Action 6 is that treaties should (in addition to 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) include one or both of a "limitation of benefits" rule and a "principal purpose test". If a person were not to satisfy either a "limitation of benefits" rule or a "principal purpose test" in a treaty then it could be denied the benefits of the treaty.

The final form of a "limitation of benefits" rule is not yet certain. It is subject to further review pending finalisation of a revised "limitation of benefits" rule proposed by the United States for its own treaties. The recommended "principal purpose test" would deny a treaty benefit where it is reasonable to conclude, having regard to all relevant facts and circumstances, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in those circumstances would be in accordance with the object and purpose of the relevant provisions of the treaty. It is unclear how a "principal purpose test", if adopted, would be applied by the tax authorities of those jurisdictions from which payments are made to the Issuer. The OECD has also noted that, whilst the report makes provision for collective investment vehicles to be "qualified persons" for the purposes of the "limitation of benefits" rule, further work needs to be undertaken during the first part of 2016 in relation to the treaty entitlement of funds that are not collective investment vehicles. This work may be relevant to the treaty entitlement of the Issuer.

If the Issuer were to be denied the benefit of a treaty entered into by Ireland and as a consequence payments were made to the Issuer subject to withholding taxes, and the Obligors do not make "gross-up" payments that cover the full amount of any such withholding taxes, the amounts available to make payments on, or distributions to, the Noteholders would accordingly be reduced.

Action 7

Action 7 is intended to prevent the artificial avoidance of permanent establishment status. The final recommendation for Action 7 includes amendments to the OECD Model Convention which would exclude certain agents from the definition of an independent agent (as such term is understood for double tax treaty purposes) if such agent acts exclusively, or almost exclusively, on behalf of enterprises which, based on all the relevant facts and circumstances, it "controls". The draft OECD commentary published as part of the final recommendation gives the following as an example of what is meant by control: "where a person or enterprise controls an enterprise by virtue of a special arrangement that allows that person to exercise rights that are similar to those that it would hold if it possessed directly or indirectly more than 50 per cent of the beneficial interests in the enterprise". However, it is not clear in what other circumstances "control" might exist.

Implementation of the final recommendations

In February 2015, the OECD approved a mandate (endorsed by the G20 Finance Ministers and Central Bank Governors) to develop a multilateral instrument which will implement some or all of those final recommendations that relate to double tax treaties, including those relating to Actions 6 and 7, by 31 December

2016. The multilateral instrument is being developed by an ad hoc Group of countries including the United Kingdom. Nevertheless, it is not yet certain which countries will sign this multilateral instrument, nor whether and to what extent the final recommendations of the OECD will be implemented.

1.16 LIBOR and EURIBOR Reform

Concerns have been raised by a number of regulators that some of the member banks surveyed by the British Bankers' Association (the "**BBA**") in connection with the calculation of the London interbank offered rate ("**LIBOR**") across a range of maturities and currencies may have been manipulating the inter-bank lending rate. There have also been allegations that member banks may have manipulated EURIBOR and other inter-bank lending rates. If manipulation of EURIBOR or LIBOR or another inter-bank lending rate occurred, it may have resulted in that rate being artificially lower (or higher) than it would otherwise have been.

Following a review of LIBOR conducted at the request of the UK Government, LIBOR is currently being reformed, including (i) as of 1 February 2014, the replacement of the BBA with ICE Benchmark Administration Limited (the "**IBA**") as LIBOR administrator, (ii) a reduction in the number of currencies and tenors for which LIBOR is calculated, and (iii) changes in the way that LIBOR is calculated, by compelling more banks to provide LIBOR submissions and basing these submissions on actual transaction data. Investors should be aware that:

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

(b) if the applicable rate of interest on any Collateral 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.

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

EURIBOR and other so-called "benchmarks" are the subject of proposals for reform by a number of international authorities and other bodies. The European Commission has published a proposed regulation (the "**Proposed Benchmark Regulation**") on indices used as benchmarks in financial instruments and financial contracts. The Proposed Regulation is expected to apply from the end of 2017.

The Proposed Benchmark Regulation will, if enacted, make significant changes to the way in which EURIBOR is calculated, including detailed codes of conduct for contributors and transparency requirements applying to contributions of data. Benchmarks such as EURIBOR may be discontinued if they do not comply with these requirements, or if the administrator of the benchmark either fails to apply for authorisation or is refused authorisation by its home regulator.

Investors should be aware that:

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

(b) if the applicable rate of interest on any Collateral 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

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

(d) 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 above or any other significant changes to LIBOR, EURIBOR or any other benchmark 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 or EURIBOR rate or other benchmark (as applicable) 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. As the substantial majority of the interest payments due on the Issuer's assets are expected to be calculated based upon EURIBOR and the Notes pay interest based upon EURIBOR, an inaccurate EURIBOR setting could have adverse effects on the Issuer and/or the holders of the Notes. For example, holders of the Notes would receive lower Euro amounts as interest payments if EURIBOR was artificially lower than a properly functioning market would otherwise set EURIBOR. Furthermore, questions surrounding the integrity in the process for determining EURIBOR 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.

1.17 The CRA Regulation

The CRA Regulation came into force on 20 June 2013. Article 8(b) of the CRA Regulation 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 obligations, the Issuer may incur additional costs and expenses to comply with the disclosure obligations. Such costs and expenses will be payable by the Issuer as Administrative Expenses.

Additionally, Article 8(d) 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. 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 related third party shall consider appointing at least one rating agency with no more than 10 per cent. of the market share. The Issuer intends to have two rating agencies appointed, but does not make any representation as to the market share of either agency. Non-compliance with the obligation under Article 8(d) of CRA3 may result in a fine or penalty being incurred by the Issuer which would be payable by the Issuer as an Administrative Expense. 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.

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

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

1.19 Third Party Litigation; Limited Funds Available

The Issuer's investment activities may subject it to the risks of becoming involved in litigation by third parties. This risk may be greater where the Issuer exercises control or significant influence over a company's direction. The expense of defending against claims against the Issuer by third parties and paying any amounts pursuant to settlements or judgments would be borne by the Issuer in accordance with the Priorities of Payments. The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Collateral Administrator and for payment of the Issuer's other accrued and unpaid Administrative Expenses are limited to amounts available in accordance with the Priorities of 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 the Issuer may not be able to defend or prosecute legal proceedings that may be bought against it or that the Issuer might otherwise bring to protect its interests.

2 REGULATORY INITIATIVES

In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of banks, financial industry and asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Initial Purchaser, the Collateral Manager, BGCF, the Trustee nor any of their Affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the impact of such regulation on such prospective investor or purchaser of the Notes or the regulatory capital treatment of their investment in the Notes, in each case on the Issue Date or at any time in the future.

Without limitation to the above, such regulatory initiatives include the following:

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.

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, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings and funds under the Undertakings for Collective Investment in Transferable Securities (Directive 2001/107/EU and 2001/108/EC). Such requirements as they apply to credit institutions and investment firms (pursuant to the CRR Retention Requirements) and authorised alternative investment fund managers (pursuant to the AIFMD Retention Requirements) are currently in force. Amongst other things, such requirements restrict a relevant investor from investing in securitisations unless (i) that investor is able to demonstrate that it has undertaken certain due diligence in respect of various matters including its investment position, the underlying assets and (in the case of certain types of investors) the relevant sponsor, original lender or originator and (ii) the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the investor that it will retain, on an on-going basis, a net economic interest of not less than 5 per cent. in respect of certain specified credit risk tranches or 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 punitive capital charge on the notes acquired by the relevant investor. Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear. The 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 regulators), 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 BGCF to retain a material net economic interest in the transaction, please see the summary set out in "*Description of BGCF and the Retention Requirements – Retention Requirements*" below.

Relevant investors are required to independently assess and determine the sufficiency of the information described therein for the purposes of complying with any relevant requirements and none of the Issuer, the Initial Purchaser, the Arranger, the Collateral Manager, BGCF, 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, BGCF (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. Without limiting the foregoing, investors should be aware that at this time, save for the EBA Report described below, the EU authorities have not published any binding guidance relating to the satisfaction of the CRR Retention Requirements by an institution similar to BGCF including in the context of a transaction involving a separate collateral manager. Furthermore, any relevant regulator's views with regard to the CRR Retention Requirements may not be based exclusively on technical standards, guidance or other information known at this time.

It should be noted that the European Commission published on 30 September 2015 legislative proposals for two new regulations related to securitisation. Amongst other things, the proposals include provisions intended to implement the revised securitisation framework developed by BCBS and provisions intended to harmonise and replace the risk retention and due diligence requirements (including the corresponding guidance provided through technical standards) applicable to certain EU regulated investors. There are differences between the legislative proposals and the current requirements, including with respect to the application approach under the Retention Requirements and in relation to the originator entities which are eligible to retain the required interest.

In particular, investors should note that the EBA published a report on 22 December 2014 (the "**EBA Report**"). In the EBA Report the EBA recommended, amongst other things, that the definition of "originator" should be narrowed in order to avoid potential abuses. In response, the abovementioned legislative proposals seek to implement the EBA's recommendation. These proposals include a provision which would restrict an entity from being an "originator" (as defined in the legislative proposals) for risk retention purposes if it has been established or operates "for the sole purpose of securitising exposures". The explanatory memorandum published in conjunction with the legislative proposals indicates that the provision relating to originators is intended to restrict retention by an entity if it has been established as a dedicated shelf for the sole purpose of securitising exposures and lacks a broad business purpose, providing the example of an entity which does not have the capacity to meet a payment obligation from resources not related to the exposures being securitised. In this regard investors are referred to the representation of BGCF in paragraph (h) of the section "*Description of BGCF and the Retention Requirements – Retention Requirements"* and the section *"Description of BGCF and the Retention Requirements – Description of BGCF and its Business"*.

It is not clear whether, and in what form, the legislative proposals (and any corresponding technical standards) will be adopted. In particular, the proposed restriction in relation to originators may be adopted in a different form to that currently proposed and/or other changes to the risk retention requirements (including to the technical standards) applicable to securitisations such as this transaction and any affected investors may be made through the political negotiation process and adopted. The compliance position under any adopted and potentially revised requirements of transactions entered into, and of activities undertaken by a party (including an investor), prior to (and, in certain circumstances, on and after) adoption is uncertain. 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.

At this time, the legislative proposals are in draft form and is subject to the negotiation and subsequent adoption by the European Council of Ministers and the European Parliament. It is therefore uncertain at this time whether the such proposals will be adopted in the form proposed by the European Commission. While it is expected that they will become effective during the course of 2016 or early 2017 at this time it is uncertain when exactly they will be adopted and become effective. Investors should note, however, that on 12 April 2016, the EBA published a nonbinding report in which it acknowledged that its recommendations regarding potential abusive practices in the market in relation to originators had been taken on board in the proposed STS Regulation.

As at the date hereof, the legislative proposals do grandfather transactions which have been issued prior to the effective date of the final regulation and thus at this time, the re-cast risk retention rules would not apply to the transaction described herein if the regulation were to be adopted in its current form. However, it should be noted that any Refinancing of the Notes or additional issuance of Notes in accordance with Condition 17 (*Additional Issuance*) may, if undertaken after the entry into force of the regulation, bring the transaction described herein within the scope of the regulation. There can be no assurances that the final regulation, and in particular the grandfathering provisions, will be adopted in the form submitted by the European Commission.

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

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

For a description of the commitment of BGCF to retain a material net economic interest in the transaction, please refer to *"Description of BGCF and the Retention Requirements"* below.

2.3 STS Regulation

If, upon entry into force of the STS Regulation the reporting requirements thereunder apply to the Issuer, the Collateral Administrator will (subject to and in accordance with the Transaction Documents) (i) to the extent the Collateral Administrator is able, and (ii) subject to agreement of further fees and terms, assist the Issuer to facilitate its compliance with the STS Regulation. Depending on the extent that such assistance and/or compliance leads to additional or more onerous duties for the Collateral Administrator (as determined by the Collateral Administrator acting reasonably) and/or requires changes to be made to the existing Transaction Documents, additional fees may be payable to the Collateral Administrator. The Issuer's costs in relation to such compliance and/or amendments (including any such additional fees payable to the Collateral Administrator) will constitute Administrative Expenses.

2.4 The EU Bank Recovery and Resolution Directive

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

2.5 U.S. Risk Retention

On 21 October 2014, the final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act (the "**U.S. Risk Retention Rules**") were issued. The U.S. Risk Retention Rules generally require the collateral manager of a CLO to retain not less than 5 per cent. of the credit risk of the assets collateralising the CLO issuer's securities. The U.S. Risk Retention Rules will become effective with respect to CLO transactions on 24 December 2016. While the U.S. Risk Retention Rules will not apply to the issuance and sale of the Notes on the Issue Date, the U.S. Risk Retention Rules may have other adverse effects on the Issuer and/or the holders of the Notes. The U.S. Risk Retention Rules would apply to any issuance of additional Notes issued after the Issue Date or any Refinancing or re-pricing, if such subsequent issuance or Refinancing occurs on or after the effective date of the U.S. Risk Retention Rules. In addition, the United States Securities and Exchange Commission (the "**SEC**") has indicated in contexts separate from the U.S. Risk Retention Rules that an "offer" or a "sale" of securities may arise when amendments to securities are so material as to require holders to make a new "investment decision" with respect to such securities. Thus, if the SEC were to take a similar position with respect to the U.S. Risk Retention Rules, they could apply to material amendments to this Offering Circular and the Notes, including a re-pricing, 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 re-pricing or other amendment (including due to the Collateral Manager's withholding of its consent to any such additional issuance, Refinancing, re-pricing or amendment) and may affect the liquidity of the notes. Furthermore, no assurance can be given as to whether the U.S. Risk Retention Rules would have any future material adverse effect on the business, financial condition or prospects of the Collateral Manager or the Issuer or on the market value or liquidity of the Notes.

2.6 European Market Infrastructure Regulation EU 648/2012 (EMIR)

EMIR and its corresponding regulations 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 "*Alternative Investment Fund Managers Directive*" below), credit institutions and insurance companies, or other entities such as "non-financial counterparties" or third country entities equivalent to "financial counterparties" or "non-financial counterparties".

Financial counterparties will 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 obligation 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 collection (together, the "**risk mitigation obligations**").

Non-financial counterparties 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", excluding eligible hedging transactions, exceed certain thresholds. If the Issuer is considered to be a member of such a "group" (which may, for example, potentially be the case if the Issuer is consolidated by a Noteholder as a result of such Noteholder's holding of a significant proportion of the Subordinated Notes) and if the aggregate notional value of OTC derivative contracts entered into by the Issuer and any non-financial entities within such group exceeds the applicable threshold, 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 collection requirement (in each case, as and when such requirements become applicable for that particular counterparty pair).

The clearing obligation does not yet apply, but will gradually be 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 a 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 is still subject to a legislative approval process and, as such, it is not certain when the Additional Currencies RTS will become effective or whether it will be amended. 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 under "*Alternative Investment Fund Managers Directive*" below).

The process for implementing the clearing obligation is under way but uncertainties about the scope and timing remain, especially in the longer term. The margin posting requirement does not yet apply and, again, the timing of its implementation is currently uncertain.

The margin collection requirements do not yet apply, although it is likely that they will be phased in from 1 September 2016. As such, the exact timing for their implementation and whether such requirements will affect entities such as the Issuer is currently uncertain. Regulatory technical standards have been published in draft form only and are yet to be finalised. The margin collection requirements are expected to apply in respect of new swap arrangements entered into from the relevant future effective dates.

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", there is currently no certainty as to whether the relevant regulators will share this view.

If the Issuer becomes subject to the clearing obligation or the margin collection requirements, 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 and currency 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 certain applications of EMIR and which may allow the relevant Hedge Counterparty to terminate a Hedge Transaction upon the occurrence of such event(s). The termination of a Hedge Transaction in these circumstances may result in a termination payment being payable by the Issuer. See "*Hedging Arrangements*".

The Conditions of the Notes permit the Issuer and oblige the Trustee, without the consent of any of the Noteholders, to concur in the making of 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.

2.7 Alternative Investment Fund Managers Directive

The AIFMD regulates alternative investment fund managers ("**AIFMs**") and provides in effect that each alternative investment fund (an "**AIF**") 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 would be imposed on the Collateral Manager in respect of its management of the Portfolio. 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 incurred by the Collateral Manager which, in respect of some such fees and expenses, may be reimbursable by the Issuer to the Collateral Manager pursuant to the Collateral Management and Administration Agreement as an Administrative Expense, which may in turn negatively affect the amounts payable to Noteholders. 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 the Issuer's investment strategy and achieve its investment objective.

If considered to be an AIF, the Issuer would also be classified as a "financial counterparty" under EMIR and may be required to comply with clearing obligations and/or other risk mitigation techniques (including margin posting requirements) with respect to Hedge Transactions entered into after the relevant future effective dates. See also "*European Market Infrastructure Regulation EU 648/2012 (EMIR)*" above.

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

2.8 Dodd-Frank Act

The Dodd-Frank Act was signed into law on 21 July 2010. The Dodd-Frank Act represents a comprehensive change to financial regulation in the United States, and affects virtually every area of the capital markets. Implementation of the Dodd-Frank Act requires many lengthy rulemaking processes that will ultimately result in the adoption of a multitude of new regulations potentially applicable to entities which transact business in the U.S. or with U.S. persons outside the U.S. Once fully implemented, the Dodd-Frank Act will 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. While certain regulations implementing various provisions of the Dodd-Frank Act have been finalised and adopted, many implementing regulations currently exist only in draft form and are subject to

comment and revision. Other implementing regulations may yet be proposed. It is therefore difficult to predict the extent to which and manner whereby the businesses of the Collateral Manager and its subsidiaries and Affiliates and the Issuer, will be affected by the Dodd-Frank Act as implementing regulations are finalised over time and come into effect and regulators provide further guidance with respect thereto.

This uncertainty is further compounded by the numerous regulatory efforts underway outside the U.S. Certain of these efforts overlap with the substantive provisions of the Dodd-Frank Act, while others, such as proposals for financial transaction and/or bank taxes in particular countries or regions, do not. In addition, even where these U.S. and international regulatory efforts overlap, these efforts generally have not been undertaken on a fully coordinated basis. Areas where divergence between U.S. regulators and their international counterparts exists or has begun to develop (whether with respect to scope, interpretation, timing, approach or otherwise) include trading, clearing and reporting requirements for derivatives transactions, higher U.S. capital and margin requirements relating to uncleared derivatives transactions, and capital and liquidity requirements, among others.

In addition, newly promulgated rules regarding risk retention by sponsors of asset-backed securities could potentially limit the ability of the Issuer to issue additional Notes or undertake a Refinancing or replace the Collateral Manager. 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, and the effect of such actions, if any, cannot be known or predicted.

Investors should be aware that these 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 to be promulgated thereunder in making any investment decision in respect of the Notes.

2.9 Commodity Pool Regulation

The Issuer's ability to enter into Hedge Transactions may cause the Issuer to be a "commodity pool" as defined in the United States Commodity Exchange Act 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 unless an exemption from registration is available. Based on recent CFTC interpretive guidance, 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 both (a) 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 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, and (b) unless and until the Issuer or the Collateral Manager (on behalf of the Issuer) elects (by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*)) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7 following receipt by the Issuer or the Collateral Manager (on behalf of the Issuer) of a legal opinion (which shall be addressed to the Trustee) from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule and, for so long as any of the Class A-1 Notes remain Outstanding, the holders of the Class A-1 Notes, acting by way of an Ordinary Resolution, have consented thereto, the Issuer obtains legal advice (to which the Trustee shall be an addressee) from reputable international legal counsel knowledgeable in such matters to the effect that the acquisition of or entry into such Hedge Agreement will not cause the Issuer to be unable to rely on the exclusion under Rule 3a-7.

Notwithstanding the above, in the event that the recent 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 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 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 new regulatory requirements (the "**CFTC Regulations**"), as would be the case for a registered CPO. Further, the conditions of such exemption may constrain the extent to which the Issuer may be able to enter into swap transactions. In particular, the limits imposed by such exemptions may prevent the Issuer from entering into a Hedge Transaction that the Collateral Manager believes would be advisable or result in the Issuer incurring financial risks that would have been hedged pursuant to swap transactions absent such limits. In addition, the costs of obtaining and maintaining such exemption will be passed on to the Issuer.

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.

2.10 Volcker Rule

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

A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act but is exempt from registration therefrom solely in reliance on either section 3(c)(1) or 3(c)(7) of that Act, subject to certain exemptions and exclusions found in the Volcker Rule's implementing regulations. As discussed in "*Issuer Reliance on Rule 3a-7*" below, it is the intention of the Issuer and the Collateral Manager to structure the Issuer's affairs to comply with the requirements of Rule 3a-7 which will mean, among other things, that the Issuer will not be expected to fall within the definition of a "covered fund" for the purposes of the Volcker Rule.

However, there can be no assurance that the Issuer will not be treated as a "covered fund" or that the Issuer will be viewed by a regulator in the United States as having complied with the requirements of Rule 3a-7. Investors should conduct their own analysis to determine whether the Issuer is a "covered fund" for their purposes. See further also "*Issuer Reliance on Rule 3a-7*". An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the covered fund, as well as through any right of the holder to participate in the selection or removal of, among others, an investment advisor, investment or collateral manager, or general partner, trustee, or member of the board of directors of the covered fund. It should be noted that the Subordinated Notes will be characterised as ownership interests in the Issuer for this purpose. It is uncertain whether any of the Rated Notes may be similarly characterised as ownership interests. For instance, there is currently uncertainty as to whether the rights of Noteholders to participate in the removal of, and/or selection of a replacement for, the Collateral Manager for cause in and of itself will be construed as indicative of an ownership interest by the Noteholders of the relevant Class of Notes. Such characterisation may have adverse effects on the Issuer and the liquidity and value of the Notes, including limiting the secondary market of the Notes and affecting the Issuer's access to liquidity and ability to hedge its exposures. If it were determined that the Issuer did not qualify for the exclusion provided by Rule 3a-7 there is a high likelihood any banking entity would be prohibited under the Volcker Rule from holding some or all Classes of Notes unless some other exemption or exclusion was available to such banking entity under the Volcker Rule.

It should be noted that a commodity pool as defined in the CEA (see "*Commodity Pool Regulation*", above) will also fall within the definition of a covered fund as described above.

If the Issuer is deemed to be a covered fund, then in the absence of regulatory relief, the provisions of the Volcker Rule and its related regulatory guidance, will prohibit or severely limit the ability of "banking entities" to hold an ownership interest in the Issuer or enter financial transactions with the Issuer. The holders of any of the Class A Notes, the Class B Notes and the Class C Notes in the form of CM Non-Voting Notes or CM Exchangeable Non-Voting Notes are disenfranchised in respect of any CM Removal Resolution and/or CM Replacement Resolution, which disenfranchisement is intended to exclude such Notes from the definition of "ownership interest". However, there can be no assurance that these features will be effective in resulting in such investments in the Issuer by U.S. banking organisations and other banking entities subject to the Volcker Rule not being characterised as an "ownership interest" in the Issuer.

Investors should conduct their own analysis to determine whether the Issuer is a "covered fund" for their purposes. In any event, if it were determined that the Issuer did not qualify for the exclusion provided by Rule 3a-7 there is a high likelihood that the Issuer would be determined to be a "covered fund".

There is limited interpretive guidance regarding the Volcker Rule, and implementation of the regulatory framework for the Volcker Rule is still evolving. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in ownership interests of the Issuer should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment. If investment by banking entities in the Notes of any Class is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Notes, particularly given the lack of interpretive guidance on the Volcker Rule. Each investor is responsible for analysing its own position under the Volcker Rule and any other similar laws and regulations and none of the Issuer, the Initial Purchaser, the Collateral Manager, BGCF, the Trustee or the Arranger nor any of their affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the application of the Volcker Rule to the Issuer, or to such investor's investment in the Notes on the Issue Date or at any time in the future.

2.11 Issuer Reliance on Rule 3a-7

It is expected that the Issuer will be relying on an exclusion from the definition of (a) "investment company", and from the resulting requirement to register under the Investment Company Act and (b) "covered fund" for the purposes of the Volcker Rule (as discussed in "*Volcker Rule*" above), both of which in turn depend on the Issuer not being an investment company required to register under the Investment Company Act by reason of Rule 3a-7. So long as the Issuer relies on the exclusion provided by Rule 3a-7, its ability (and the ability of the Collateral Manager on its behalf) to acquire and dispose of Collateral Obligations, Collateral Enhancement Obligations, Exchanged Equity Securities or Eligible Investments may be limited, which could adversely affect its ability to realise gains, mitigate losses or reinvest principal payments or sale proceeds. In particular, there are restrictions on trading (noting that the Trading Requirements (so long as they are applicable) will still apply). These restrictions may adversely affect the return to holders of the Notes. The Issuer or the Collateral Manager (on behalf of the Issuer) has the right by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*) to elect to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7, provided that the Issuer or the Collateral Manager (on behalf of the Issuer) has obtained a legal opinion (which shall be addressed to the Trustee) from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being considered to be a "covered fund" in relation to any holder of Outstanding Notes and, for so long as any of the Class A-1 Notes remain Outstanding, the holders of the Class A-1 Notes, acting by way of an Ordinary Resolution, have consented thereto. Investors should carry out their own analysis to determine whether the Issuer may be considered to be a "covered fund" for their purposes.

Notwithstanding these restrictions, none of the Issuer, the Initial Purchaser, the Collateral Manager, the Trustee nor any of their Affiliates undertakes or guarantees to ensure that the Issuer satisfies the requirements of Rule 3a-7 or accepts any liability or responsibility whatsoever in respect thereof. There can be no assurance that the Issuer will satisfy the requirements of Rule 3a-7 (including with respect to the Trading Requirements) or that any investor will be able to treat the Issuer as exempt under Rule 3a-7 for such purposes, and none of the Issuer, the Initial Purchaser, the Collateral Manager, the Trustee nor any of their Affiliates makes any representation with respect thereto. Investors should do their own analysis to determine whether the Issuer is a "covered fund". It is expected that, in connection with certain capital raising activities of certain investors in the Notes and other investors in collateralised debt obligation securities, the SEC may consider the applicability of Rule 3a-7 to the Issuer or other issuers engaged in similar activities. There can be no assurance as to the results of any such

consideration, and such action by the SEC or any other regulator in the United States could adversely affect the Issuer and the Noteholders. See further "*Volcker Rule*" above.

The SEC has not reviewed the structure relating to the issuance of the Notes and/or the Issuer's activities or provided guidance in relation to similar CLO transactions. As such, there can be no assurance that the Issuer will be viewed by the SEC or any other regulator in the US as having complied with the requirements of Rule 3a-7.

If necessary as a result of such consideration or otherwise, in order to permit the Issuer to rely on Rule 3a-7 or otherwise avoid constituting an investment company required to register under the Investment Company Act, the Issuer will be permitted to amend the Trust Deed and/or the Conditions of the Notes. Such amendments could result in additional limitations on the ability of the Issuer to purchase and sell Collateral Obligations, among other restrictions, and could adversely affect the return to Noteholders. See further also "*Investment Company Act*".

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

2.12 Other CFTC Regulations

Pursuant to the Dodd-Frank Act, CFTC has promulgated a range of new regulatory requirements CFTC Regulations that may affect the pricing, terms and compliance costs associated with the entry into any Hedge Transaction by the Issuer and the availability of such Hedge Transactions. Some or all of the Hedge Transactions that the Issuer may enter into may be affected by (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, (iv) reporting obligations and other matters. These new 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.

2.13 Examination by the SEC

Recently the SEC has focused on issues related to private equity firms. More specifically, the SEC has indicated that its list of examination priorities includes, among other things, private equity firms' collection of fees and allocation of expenses, their marketing and valuation practices, allocation of investment opportunities and other conflicts of interests. The Collateral Manager and its Affiliates are regularly subject to requests for information and informal or formal investigations by the SEC and other regulatory authorities, with which they routinely cooperate. In the current environment, even historical practices that have been previously examined by regulators are being revisited. While it is difficult to predict what impact, if any, the foregoing may have, there can be no assurance that any of the foregoing would not have a material adverse effect on the ability of the Collateral Manager to perform its duties under the Transaction Documents. Even if an investigation or proceedings did not result in a sanction or the sanctions imposed against the Collateral Manager or its personnel by a regulator were small in monetary amount, the adverse publicity relating to the investigation, proceedings or imposition of these sanctions could have an adverse effect on the value of the Notes.

2.14 S&P

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

On 3 February 2015, S&P entered into a settlement agreement with the United States Justice Department, 19 States and the District of Columbia, to settle lawsuits relating to S&P's alleged inflation of ratings on subprime mortgage bonds. S&P did not admit to any wrongdoing in connection with such settlement. Also on 3 February 2015, S&P entered into a settlement agreement with the California Public Employees Retirement System to resolve claims over three structured investment vehicles. Under the 3 February 2015 settlement agreements, S&P agreed to pay approximately $1.5 billion in the aggregate to the related claimants.

None of these settlement agreements involve S&P's collateralised loan obligation rating business.

3 RELATING TO THE NOTES

3.1 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 can be no assurance as to the presence or extent of a market for the Notes themselves. The Initial Purchaser or its Affiliates, as part of their 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 and any such market making may be discontinued at any time without notice. Any indicative prices provided by the Initial Purchaser or its Affiliates shall be determined in the Initial Purchaser's sole discretion taking into account prevailing market conditions and shall not be a representation by the Initial Purchaser or its Affiliates that any instrument can be purchased or sold at such prices (or at all). Notwithstanding the above, the Initial Purchaser or its Affiliates may suspend or terminate making a market and providing indicative prices without notice, at any time and for any reason. There can be no assurance that any secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the Noteholders with liquidity of investment or that it will continue for the life of such Notes. Consequently, a purchaser must be prepared to hold such Notes for an indefinite period of time or until the Maturity Date. 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 any of the Issuer or any of their officers or directors to register under, or otherwise be subject to the provisions of, the Investment Company Act or any other similar legislation or regulatory action. Furthermore, the Notes will not be registered under the Securities Act or any U.S. state securities laws, and the Issuer has no plans, and is under no obligation, to register the Notes under the Securities Act. The Notes are subject to certain transfer restrictions and can be transferred only to certain transferees. See "*Plan of Distribution*" and "*Transfer Restrictions*". Such restrictions on the transfer of the Notes may further limit their liquidity.

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

3.2 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 and high yield bonds), 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 and high yield bonds is still limited. A decrease in the Market Value of the Portfolio would adversely affect the amount of proceeds which could be realised upon liquidation of the Portfolio and ultimately the ability of the Issuer to redeem the Notes.

A form of liquidity for the Subordinated Notes is the optional redemption provision set out in Condition 7(b)(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.

3.3 The Notes are subject to Optional Redemption in whole or in part by Class

The Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices from Sale Proceeds and/or Refinancing Proceeds (where such redemption is to be through refinancing) or from the proceeds of liquidation or realisation of the Collateral (where such redemption is to be through liquidation) (i) on any Payment Date falling on or after the expiry of the Non-Call Period (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day), at the option of the Subordinated Noteholders acting by way of Ordinary Resolution, or (ii) upon the occurrence of a Collateral Tax Event, on any Payment Date falling after such occurrence (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) at the direction of the Subordinated Noteholders acting by Extraordinary Resolution.

In addition, the Rated Notes may be redeemed in part by the Issuer at the applicable Redemption Prices, solely from Refinancing Proceeds on any Payment Date falling on or after expiry of the Non-Call Period (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) 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 or Classes of such Rated Notes.

Any such redemptions shall be subject to a number of conditions. See Condition 7(b) (*Optional Redemption*).

As described in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), Refinancing Proceeds may be used in connection with either a redemption in whole of the Rated Notes or a redemption in part of the Rated Notes by Class. In the case of a Refinancing upon a redemption of the Rated Notes in whole but not in part, such Refinancing will only be effective if (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, if any, from the sale of Collateral Obligations, Eligible Investments, Exchanged Equity Securities and Collateral Enhancement Obligations received in accordance with the procedures set forth in the Trust Deed, and all other available funds will be at least sufficient to pay any Refinancing Costs and all amounts due and payable in respect of all Classes of Notes save for the Subordinated Notes (including without limitation Deferred Interest on the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes) and all amounts payable in priority thereto pursuant to the Priorities of Payments (subject to any election to receive less than 100 per cent. of Redemption Price) on such Redemption Date when applied in accordance with the Post-Acceleration Priority of Payments; (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 and (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.

In the case of a Refinancing upon a redemption of the Rated Notes in part by Class, 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 Interest Proceeds standing to the credit of the Interest Account in excess of the aggregate amount of Interest Proceeds which would be applied in accordance with the Interest Priority of Payments prior to paying any amount in respect of the Subordinated Notes 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; (v) the Refinancing Proceeds are used (to the extent necessary) to make such redemption; (vi) 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; (vii) the aggregate principal amount of the Refinancing Obligations for each Class is equal to the aggregate Principal Amount Outstanding of such Class or Classes of Notes being redeemed with the Refinancing Proceeds; (viii) 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; (ix) 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); (x) 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; (xi) the voting rights, consent rights, redemption rights and all other rights of the Refinancing Obligations are the same as the rights of the corresponding Class of Rated Notes being redeemed; and (xii) all Refinancing Proceeds are received by (or on behalf of) the Issuer prior to the applicable Redemption Date.

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 other Transaction Documents to the extent necessary to reflect the terms of the Refinancing and no further consent for such amendments shall be required from the holders of the 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.

The Notes shall also be redeemed in whole but not in part 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 and a specified mitigation period on any Business Day thereafter, at their respective Redemption Prices in accordance with the Note Payment Sequence, 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 Noteholders (in addition to any other Class of Notes) on such Business Day. The Subordinated Notes may be redeemed at their Redemption Price, in whole but not in part, on any Payment Date (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) on or after the redemption or repayment in full of the Rated Notes, at the direction of either of (x) the Subordinated Noteholders (acting by way of Ordinary Resolution) or (y) the Collateral Manager (subject to the consent of the Subordinated Noteholders (acting by way of Ordinary Resolution)). Any such redemption will take place by liquidation: See Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*).

The Notes may also 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 Payment Date falling on or after the expiry of the Non-Call Period (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) 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 at the applicable Redemption Prices. Any such redemptions shall be subject to Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*).

In the event of an early redemption, the holders of the Notes will be repaid prior to the Maturity Date. Where the Notes are to be redeemed by liquidation, there can be no assurance that the Sale Proceeds realised and other available funds would permit any distribution on the Subordinated Notes after all required payments are made to the holders of the Rated Notes. In addition, an Optional Redemption could require the 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 BGCF has agreed with the Initial Purchaser to acquire a proportion of the Subordinated Notes on the Issue Date which will represent a controlling stake in such Class, giving it the ability to control the passing of any Ordinary Resolutions to effect certain Optional Redemptions pursuant to Condition 7(b) (*Optional Redemption*).

3.4 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, using commercially reasonable endeavours, it has been unable, for a period of 20 consecutive Business Days, to identify additional Collateral Obligations or Substitute Collateral Obligations that are deemed appropriate by the Collateral Manager in its sole discretion and which would meet the Eligibility Criteria or, to the extent applicable, the Reinvestment Criteria and the Trading Requirements (so long as they are applicable) in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account to be invested in additional or 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.

3.5 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. The Post-Reinvestment Period Par Value Test only applies following expiry of the Reinvestment Period. See Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests or the Post-Reinvestment Period Par Value Test*).

If (i) the Class A Par Value Test is not satisfied on any Determination Date on or after the Effective Date and/or (ii) the Class A Interest Coverage Test is not satisfied on any Determination Date on or after the Determination Date immediately preceding the second Payment Date, 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 the Class A-1 Notes and following redemption in full thereof, the Class A-2 Notes until the Class A Coverage Tests are satisfied if recalculated following such redemption.

If (i) the Class B Par Value Test is not satisfied on any Determination Date on or after the Effective Date and/or (ii) the Class B Interest Coverage Test is not satisfied on any Determination Date on or after the Determination Date immediately preceding the second Payment Date, 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 the Class A-1 Notes, and, following redemption in full thereof, the Class A-2 Notes, and, following redemption in full thereof, the Class B Notes until the Class B Coverage Tests are satisfied if recalculated following such redemption.

If (i) the Class C Par Value Test is not satisfied on any Determination Date on or after the Effective Date and/or (ii) the Class C Interest Coverage Test is not satisfied on any Determination Date on or after the Determination Date immediately preceding the second Payment Date, 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 the Class A-1 Notes, and, following redemption in full thereof, the Class A-2 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 following such redemption.

If (i) the Class D Par Value Test is not satisfied on any Determination Date on or after the Effective Date and/or (ii) the Class D Interest Coverage Test is not satisfied on any Determination Date on or after the Determination Date immediately preceding the second Payment Date, 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 the Class A-1 Notes, and, following redemption in full thereof, the Class A-2 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 following such redemption.

If the Post-Reinvestment Period Par Value Test is not satisfied on any Determination Date after the expiry of the Reinvestment Period, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes in accordance with and subject to 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 such test is satisfied if recalculated following such redemption.

3.6 The Reinvestment Period may Terminate Early

The Reinvestment Period may terminate early if any of the following occur: (a) acceleration following an Event of Default or (b) the Collateral Manager notifies the Issuer that it is unable to invest in additional 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.

3.7 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 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; and/or

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

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).

3.8 Restrictions on the Discretion of the Collateral Manager in Order to Comply with Risk Retention

Certain discretions of the Collateral Manager, acting on behalf of the Issuer, are restricted where the exercise of the discretion would cause the retention holding described in "*Description of BGCF and the Retention Requirements – Retention Requirements*" section of this Offering Circular to be insufficient to comply with the Retention Requirements.

The Collateral Manager is not permitted to reinvest in Substitute Collateral Obligations where such reinvestment would cause a Retention Deficiency (unless BGCF subscribes simultaneously for sufficient Subordinated Notes such that a Retention Deficiency will not occur as a result of such reinvestment). As a result, the Collateral Manager may be prevented from reinvesting available proceeds in Collateral Obligations in circumstances where such reinvestment would cause (or would be likely to cause) a Retention Deficiency and therefore the Aggregate Principal Balance of Collateral Obligations securing the Notes may be less than what would have otherwise have been the case if such amounts had been reinvested in Collateral Obligations.

Furthermore, the Issuer may not issue further Notes without BGCF subscribing for sufficient Subordinated Notes such that a Retention Deficiency does not occur.

As a result of such restrictions, the Issuer, or the Collateral Manager on its behalf, may be restricted from building or maintaining the par value of the Collateral in certain circumstances under which they would otherwise be able to do so, in order to comply with the provisions of the Conditions intended to achieve ongoing compliance with the Retention Requirements.

3.9 Limited Recourse Obligations

The Notes are limited recourse obligations of the Issuer and are payable solely from amounts received in respect of the Collateral. 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 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 Irish Account and the Issuer's rights under the Corporate Services Agreement) (and, in particular, no assets of the Collateral Manager, the Noteholders, 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 (applied in reverse order).

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, examinership, 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 or other Secured Parties, 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.

3.10 Subordination of the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and Subordinated Notes

Except as described below, the Class A-2 Notes are fully subordinated to the Class A-1 Notes, the Class B Notes are fully subordinated to the Class A Notes, the Class C Notes are fully subordinated to the Class A Notes and the Class B Notes, the Class D Notes are fully subordinated to the Class A Notes, the Class B Notes and the Class C Notes, the Class E Notes are fully subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes 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-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes has been paid and, 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 Substitute 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 Determination Date on or after the Effective Date and during the Reinvestment Period, will instead be applied in the acquisition of Collateral Obligations to the extent necessary to cause such threshold to be satisfied, following such acquisition.

Non-payment of any Interest Amount due and payable in respect of any of the Class A 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-1 Noteholders or, following redemption and repayment of the Class A-1 Notes in full, the Class A-2 Noteholders, acting by Ordinary 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 B Notes, Class C Notes, Class D Notes, Class E 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-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E 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-1 Noteholders, the Class A-2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E 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 E Noteholders, then by the Class D Noteholders, then by the Class C Noteholders, then by the Class B Noteholders, then by the Class A-2 Noteholders and, finally, by the Class A-1 Noteholders. Remedies pursued on behalf of the Class A-1 Noteholders could be adverse to the interests of the Class A-2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class A-2 Noteholders could be adverse to the interests of the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E 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 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 and the Subordinated Noteholders. Remedies pursued on behalf of the Class D Noteholders could be adverse to the interests of the Class E Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class E 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-1 Noteholders, the Class A-2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E 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 A-1 Noteholders over the Class A-2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Subordinated Noteholders; (ii) the Class A-2 Noteholders over the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Subordinated Noteholders; (iii) the Class B Noteholders over the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Subordinated Noteholders; (iv) the Class C Noteholders over the Class D Noteholders, the Class E Noteholders and the Subordinated Noteholders; (v) the Class D Noteholders over the Class E Noteholders and the Subordinated Noteholders; and (vi) the Class E 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*).

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*).

3.11 Amount and Timing of Payments

To the extent that interest payments on the Class B Notes, the Class C Notes, the Class D Notes or the Class E 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 B Notes, the Class C Notes, the Class D Notes or the Class E 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 B Notes, the Class C Notes, the Class D Notes, the Class E 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 Payments. No interest or principal may therefore be payable on the Subordinated Notes for an unlimited period of time, to maturity or at all.

Investment in the Notes of any Class involves a degree of risk arising from fluctuations in the amount and timing of receipt of the principal and interest on the Collateral 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.

3.12 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)(B) (*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 Floating Rate Notes. Certain financial institutions that have historically acted as Reference Banks have indicated that they will not currently provide quotations and there can be no assurance that they will agree to do so in the future. No Reference Banks have been selected as at the date of this Offering Circular.

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)(B) (*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)(C) (*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 Floating Rate Notes are determined by reference to a previously calculated rate, Noteholders of Floating Rate Notes may be adversely affected. In such circumstances, neither the Calculation Agent nor the Trustee shall have any obligation to determine the Rate of Interest on any other basis.

3.13 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.

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

The Rating Agencies may change their published ratings criteria or methodologies for securities such as the Rated Notes at any time in the future. Further, the Rating Agencies may retroactively apply any new standards to the ratings of the Rated Notes. Any such action could result in a substantial lowering (or even withdrawal) of any rating assigned to any Rated Note, despite the fact that such Rated Note might still be performing fully to the specifications set forth for such Rated Note in this Offering Circular and the Transaction Documents. The rating assigned to any Rated Note may also be lowered following the occurrence of an event or circumstance despite the fact that the 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 Offering Circular, 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 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.

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

The SEC adopted Rule 17g-10 on 27 August 2014. Rule 17g-10 applies in connection with the performance of "due diligence services" for rated asset-backed securities on or after 15 June 2015. Under Rule 17g-10, a provider of third-party due diligence services must provide to each nationally recognised statistical rating organisation that is rating the applicable transaction, a written certification in a prescribed form (which obligation may be satisfied if the Issuer posts such certification in the required form to the Rule 17g-5 website referred to above, maintained in connection with the transaction). If the Issuer or any third party that provides due diligence services to the Issuer does not comply with its obligations under Rule 17g-10, the Rating Agencies may withdraw (or fail to confirm) their ratings of the Notes. In such case, the price or transferability of the Notes (and any beneficial owner of Notes that relies on ratings of securities for regulatory or other compliance purposes) may be adversely affected. No assurance can be given as to whether any certification will be given by the Issuer or any applicable third party service provider to the Rating Agencies in circumstances where such certification is deemed to be required under Rule 17g-10.

3.15 Average Life and Prepayment Considerations

The Maturity Date is 16 April 2029 (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) in respect of the Notes. 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 Collateral Obligations and the rate of payment thereon and, accordingly, may affect the actual average lives of the Notes. The rate of and timing of future defaults and the amount and timing of any cash realisation from Defaulted Obligations also will affect the maturity and average lives of the Notes.

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

Projections, forecasts and estimates provided to prospective purchasers of the Notes are forward-looking statements. Projections are necessarily speculative in nature, and it should be expected that some or all of the assumptions underlying the projections will not materialise or will vary significantly from actual results. Accordingly, actual results will vary from the projections, and such variations may be material. Some important factors that could cause actual results to differ materially from those in any forward-looking statements include changes in interest rates, exchange rates and prepayment, default and recovery rates and timing; 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; 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 Initial Purchaser, the Collateral Administrator or any other party to this transaction or any of their respective Affiliates has any obligation to update or otherwise revise any projections, forecasts or estimates, including any revisions to reflect changes in economic conditions or other circumstances arising after the date of this Offering Circular or to reflect the occurrence of unanticipated events.

3.16 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 or the Post-Reinvestment Period Par Value Test (if applicable) 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.

3.17 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 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.

3.18 Withholding Tax on the Notes

So long as the Notes continue to be listed on the Main Securities Market of the Irish Stock Exchange, are held in Euroclear and/or Clearstream, Luxembourg, and certain anti-avoidance conditions are satisfied, no Irish withholding tax would currently be imposed on payments of interest on the Notes by the Issuer. However, there can be no assurance that the law will not change and pursuant to Condition 9 (*Taxation*) the Issuer shall withhold or deduct from any such payments any amounts on account of tax where so required by law (including FATCA) or any relevant taxing authority. 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, as a result of a change in law, any payment on the Notes of any Class becomes subject to any withholding tax (with certain exceptions), 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, provided that such redemption takes place in accordance with the procedures set out in Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*) and certain other conditions in Condition 7(b) (*Optional Redemption*) 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.

3.19 Security

Clearing Systems: Collateral Obligations or other assets forming part of the Collateral which are in the form of securities (if any) will be held by the Custodian on behalf of the Issuer. Those assets held in clearing systems will not be held in special purpose accounts and will be fungible with other securities from the same issue held in the same accounts on behalf of the other customers of the Custodian or its sub custodian, as the case may be. A first fixed charge over the Portfolio will be created under English law pursuant to the Trust Deed on the Issue Date which will, in relation to the Collateral Obligations that are held through the Custodian, take effect as a security interest over (i) the beneficial interest of the Issuer in its share of the pool of securities fungible with the relevant Collateral Obligations held in the accounts of the Custodian on trust for the Issuer and (ii) the Issuer's ancillary contractual rights against the Custodian in accordance with the terms of the Agency and Account Bank

Agreement (as defined in the Conditions) which may expose the Secured Parties to the risk of loss in the case of a shortfall of such securities in the event of insolvency of the Custodian or its sub-custodian.

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

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

Fixed Security: Although the security constituted by the Trust Deed over the Collateral held from time to time, including the security over the Accounts, is expressed to take effect as a fixed charge, it may (as a result of, among other things, the substitutions of Collateral 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.

3.20 Resolutions, Amendments and Waivers

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

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

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

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 which are voted 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 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 66²/³ 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 66²/³ 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 66²/³ 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.

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 solely by the Noteholders of a single Class or Classes acting by an Ordinary Resolution or Extraordinary Resolution (as applicable).

Notes constituting the Controlling Class that are in the form of CM Non-Voting Notes or CM Exchangeable Non-Voting Notes will have no right to vote in connection with and will not be counted for the purposes of determining a quorum or the result of voting on any CM Removal Resolution and/or any CM Replacement Resolution. As a result, for so long as any of the Class A-1 Notes, Class A-2 Notes, Class B Notes and Class C Notes constitute the Controlling Class, only the Class A-1 Notes, Class A-2 Notes, Class B Notes and Class C Notes that are in the form of CM Voting Notes may vote and be counted in respect of a CM Removal Resolution and/or a CM Replacement Resolution.

Certain actions, including the removal of the Collateral Manager for cause and optional redemption, are at the direction of holders of specified percentages of a single Class or Classes of Notes. If at any time one or more investors that are affiliated hold a majority of a Class of Notes, it may be difficult for other investors to gain the necessary authorisation for such actions without the consent of the majority Noteholders.

Without limitation to the above, (a) Notes in the form of CM Voting Notes may form a small percentage of the Controlling Class and/or be held by a concentrated group of Noteholders. Investors should be aware that such CM Voting Notes will be entitled to vote to pass a CM Removal Resolution and/or a CM Replacement Resolution and the remaining percentage of the Controlling Class (in the form of CM Exchangeable Non-Voting Notes and/or CM Non-Voting Notes) will be bound by such Resolution and (b) Investors should note that BGCF has agreed with the Initial Purchaser to acquire a proportion of the Subordinated Notes on the Issue Date which will represent a controlling stake in such Class. See "*Risk Factors – Conflicts – Certain Conflicts of Interest Involving or Relating to the Collateral Manager, BGCF and their Affiliates*".

Furthermore, investors should be aware that if the entirety of the Class A-1 Notes which represent the most senior Class outstanding are held in the form of CM Exchangeable Non-Voting Notes and/or CM Non-Voting Notes, the holders of such Class will not be entitled to vote in respect of a CM Removal Resolution and/or CM Replacement Resolution and such right shall pass to a more junior Class of Notes in accordance with the definition of Controlling Class.

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

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

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

Certain amendments and modifications may be made without the consent of Noteholders. See Condition 14(c) (*Modification and Waiver*). Such amendment or modification could be adverse to certain Noteholders. 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, the Collateral Quality Tests, the S&P Matrix or the Moody's Test Matrix and the related definitions, provided that Rating Agency Confirmation has been obtained (and, in the case of the S&P Matrix or Moody's Test Matrix, such other confirmation as the relevant Rating Agency is willing to provide) and (to the

extent provided in Condition 14(c) (*Modification and Waiver*)) the Controlling Class or the Class A-1 Noteholders (as applicable) have consented or, in certain cases, the Class A-1 Noteholders have not objected within the timescale provided in Condition 14(c) (*Modification and Waiver*)), in each case, by way of Ordinary Resolution.

In addition, potential investors should note that the Issuer may be prevented from making certain amendments or modifications which would otherwise be beneficial to the transaction due to the requirements set out in Condition 14(c) (*Modification and Waiver*) to obtain the consent of the Controlling Class or the Class A-1 Noteholders (in each case, acting by Ordinary Resolution).

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*).

Investors should be aware that, to the extent that the Issuer determines (in its reasonable opinion) that any proposed amendment, modification or supplement to any provisions of the Transaction Documents shall have a material adverse effect on the rights or obligations of a Hedge Counterparty (provided that, for such purposes (i) if no Hedge Transaction has been entered into with the relevant Hedge Counterparty, (ii) the relevant Hedge Counterparty has consented to the relevant amendment, modification or supplement or (iii) any timeframe in the applicable Hedge Agreement for the Hedge Counterparty to provide consent to the relevant amendments, modifications or supplements has expired, any amendment, modification and supplement to the Transaction Documents will be deemed not to have a material adverse effect on the rights or obligations of the relevant Hedge Counterparty), the Issuer will be restricted from making the proposed amendment, modification or supplement. In addition, to the extent that the Issuer determines (in its reasonable opinion) that any proposed amendment, modification or supplement to any provisions in the Transaction Documents shall have a material adverse effect on the rights or obligations of the Collateral Manager, the Issuer will be restricted from making the proposed amendment, modification or supplement unless it has obtained the Collateral Manager's consent in writing.

Furthermore, under the terms of any applicable Hedge Agreement, there may be an additional termination event resulting in termination payments due from the Issuer in the event that Transaction Documents are modified, amended or supplemented if such modification, amendment or supplement has a material adverse effect on a Hedge Counterparty.

3.21 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 Ordinary 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 paragraph (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 Ordinary 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 B Notes, the Class C Notes, the Class D Notes and the Class E Notes) and all amounts payable in priority thereto pursuant to the Priorities of Payments; or otherwise (B) in the case of an Event of Default specified in

sub-paragraphs (i), (ii), (iv) or (vi) of Condition 10(a) (*Events of Default*) the Controlling Class acting by way of Ordinary Resolution (and no other Class of Notes) may direct the Trustee to take Enforcement Action without regard to any other Event of Default which has occurred prior to, contemporaneously or subsequent to such Event of Default.

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.

3.22 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 ERISA or Section 4975 of 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 equity under that regulation (which could include the Class D Notes, the Class E 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.

3.23 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 that any holder of an interest in a Rule 144A Note is a U.S. person as defined under Regulation S under the Securities Act (a "**U.S. Person**") and is not a QIB/QP at the time it acquires an interest in a Rule l44A Note (any such person, a "**Non-Permitted Noteholder**") or 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 or Similar Law 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, as described under "*Certain ERISA Considerations*" below (a "**Non-Permitted ERISA Noteholder**") or that any holder of an interest in a Note (other than BGCF with respect to the Retention Notes) is a Noteholder who (i) has failed to provide any information necessary in order to enable the Issuer to comply with its obligations under FATCA or (ii) otherwise prevents the Issuer from complying with FATCA (any such Noteholder, a "**Non-Permitted FATCA Noteholder**"), the Issuer shall, promptly after determination that such person is a Non-Permitted Noteholder or Non-Permitted ERISA Noteholder or Non-Permitted FATCA Noteholder by the Issuer, send notice to such Non-Permitted Noteholder or Non-Permitted ERISA Noteholder or Non-Permitted FATCA Noteholder (as applicable) demanding that such Noteholder transfer its interest to a person that is not a Non-Permitted Noteholder or Non-Permitted ERISA Noteholder or Non-Permitted FATCA Noteholder (as applicable) within 30 days (or 14 days in the case of a Non-Permitted ERISA Noteholder) of the date of such notice. If such Noteholder fails to effect the transfer required within such 30-day period (or 14-day period in the case of a Non-Permitted ERISA Noteholder), (a) the Issuer or the Collateral Manager on its behalf, shall cause such beneficial interest to be transferred in a commercially reasonable sale to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and is not a Non-Permitted ERISA Noteholder and is not a Non-Permitted FATCA Noteholder and (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

3.24 Tax Treatment of U.S. Holders of Class D Notes or Class E Notes if Recharacterised as Equity

The U.S. federal income tax treatment of the Class D Notes and Class E Notes is not entirely clear. The Issuer intends to treat the Rated Notes (including the Class D Notes and Class E Notes) as debt for U.S. federal income tax purposes. Holders of the Rated Notes will be required to treat such Notes as debt for U.S. federal income tax purposes. If the Class D Notes and Class E Notes (or any other Class of Rated Notes) were recharacterised

by the IRS or by the courts as equity for U.S. federal income tax purposes, a U.S. holder generally would be treated as a U.S. holder of equity in a PFIC who did not make a qualified electing fund election and would be subject to the same treatment as a U.S. holder of Subordinated Notes that did not make a qualified electing fund election. See "*Tax Considerations – United States Federal Income Taxation – U.S. Tax Treatment of U.S. holders of the Subordinated Notes.*"

Potential U.S. investors in the Class D Notes and Class E Notes should consult with their own tax advisors about the potential recharacterisation of the Class D Notes and Class E Notes, the consequences of the Issuer's PFIC status, the Issuer's potential status as a controlled foreign corporation and the tax consequences thereof.

3.25 Notes held by BGCF and the Collateral Manager

BGCF will purchase the Retention Notes and may purchase other Notes on the Issue Date and the Collateral Manager and its Affiliates may purchase other Notes on or after the Issue Date. Any Class A-1 Notes, Class A-2 Notes, Class B Notes and Class C Notes held by or on behalf of the Collateral Manager and its Affiliates shall only be held in the form of CM Exchangeable Non-Voting Notes. There is no requirement on BGCF to hold the Retention Notes or any other Notes it purchases in the form of CM Exchangeable Non-Voting Notes or CM Non-Voting Notes and, as a result, BGCF may be entitled to, amongst other things, vote in respect of or be counted for the purposes of determining a quorum and the result of voting on a CM Removal Resolution and/or a CM Replacement Resolution. There will be no restriction on the ability of the Collateral Manager and its Affiliates to purchase the Notes (either upon initial issuance or through secondary transfers) and to exercise any voting rights to which such Notes are entitled (except that Notes held by the Collateral Manager, certain of its Affiliates and their respective employees shall be disregarded with respect to voting rights under certain circumstances as described in the Trust Deed and the Collateral Management and Administration Agreement). In addition, there will be no restriction on the ability of BGCF to purchase and divest of Notes, other than the Retention Notes in the form of CM Voting Notes.

4 RELATING TO THE COLLATERAL

4.1 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) and the Trading Requirements (so long as they are applicable) which each Collateral Obligation is required to satisfy, as disclosed in this Offering Circular, and on the Portfolio Profile Tests, Collateral Quality Tests, Coverage Tests, Reinvestment Par Value Test, Post-Reinvestment Period 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 Offering Circular 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.

Neither the Issuer nor the Initial Purchaser has 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 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 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.

Furthermore, pursuant to the Collateral Management and Administration Agreement, the Collateral Manager is required to carry out due diligence as it considers reasonably necessary to ensure the Eligibility Criteria will be satisfied and that, except for Collateral Obligations which are acquired by way of Participation, the Issuer will, upon the settlement of such purchase, become the legal and beneficial holder of such Collateral Obligations in

accordance with the terms of the relevant Underlying Instrument and all applicable laws. However, the Collateral Management and Administration Agreement does not contain more prescriptive requirements on the due diligence to be carried out by the Collateral Manager and Noteholders are therefore reliant on the Collateral Manager conducting such due diligence in a manner which ensures that the Collateral Obligations are properly and effectively transferred and satisfy each of the Eligibility Criteria.

4.2 Nature of Collateral; Defaults

The Issuer will invest in a portfolio of Collateral Obligations consisting at the time of acquisition of predominantly Secured Senior Obligations, Unsecured Senior Loans, Second Lien Loans, Mezzanine Obligations and High Yield Bonds, as well as certain other investments, all of which will have greater credit and liquidity risk than investment grade sovereign or corporate bonds or loans. The Collateral is subject to credit, liquidity, 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, as the case may be, 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 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.

4.3 Purchases of Collateral Obligations from BGCF

On or prior to the Issue Date, the Issuer will have entered into agreements to purchase a substantial portion of the Collateral Obligations to form the initial Portfolio on the Issue Date from BGCF. Furthermore, the Issuer may only acquire a Collateral Obligation at certain times if, immediately following such purchase, the Originator Requirement is satisfied (solely in accordance with the definition thereof and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition). See "*Acquisition of Collateral Obligations and Purchase Price for such Acquisition*" below in respect of the price to be paid by the Issuer for such Collateral Obligations and "*Conflicts of Interest – Certain Conflicts of Interest*

Involving or Relating to the Collateral Manager, BGCF and their Affiliates" below in respect of certain potential conflicts of interest related to the Collateral Manager's relationship with BGCF.

The Collateral Obligations purchased by BGCF, whether subsequently sold to the Issuer or otherwise, have been financed by way of certain financing arrangements (the "**BGCF Financing**") provided to BGCF (the "**BGCF Assets**"). The Initial Purchaser was involved in certain of the arrangements constituting the BGCF Financing. However, the involvement of the Initial Purchaser in the BGCF Financing was solely in its capacity as a financing party under the BGCF Financing and should not be viewed as a determination by the Initial Purchaser or its Affiliates as to whether a particular asset is an appropriate investment by BGCF or the Issuer or whether such asset satisfies the portfolio criteria applicable to the Issuer. The interests of the Initial Purchaser and its Affiliates in respect of the BGCF Financing do not necessarily align with, and may in fact be directly contrary to, those of investors in the Notes. See further "*Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Initial Purchaser and its Affiliates*" below. The interests of the participants in the BGCF Financing in respect of the BGCF Assets may not necessarily align with, and may be directly contrary to, those of the investors in the Notes.

Furthermore, the requirement to satisfy the Originator Requirement (solely in accordance with the definition thereof and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition) may have an effect on the ability of the Issuer (and the Collateral Manager on its behalf) to identify and acquire appropriate Collateral Obligations either during the Initial Investment Period (see further "*Considerations Relating to the Initial Investment Period*" below) or for reinvestment (see further "*Reinvestment Risk and Uninvested Cash Balance*" below).

4.4 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 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.

Furthermore, the Issuer may enter into agreements to purchase Collateral Obligations on or following the Issue Date from BGCF. 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 enters or entered into the commitment to purchase, which in the case of Collateral Obligations may be greater or less than the market value thereof on the Issue Date or, if later, the relevant settlement date, plus accrued interest as at the relevant settlement date. Where the Issuer acquires or commits to acquire Collateral Obligations which are assets that BGCF has itself purchased on the same day of such acquisition or commitment to acquire by the Issuer, the transfer price for such Collateral Obligations may be BGCF's purchase price. The Issuer may enter into forward purchase agreements prior to the Issue Date to acquire Collateral Obligations from BGCF on or after the Issue Date and the prices paid for such Collateral Obligations will be the prices at the time that such forward purchase agreements are entered into by the Issuer and not the settlement date thereof. In circumstances where the Issuer has entered into a binding commitment prior to the Issue Date to purchase Collateral Obligations, events occurring between the date of the Issuer first committing to acquire a Collateral Obligation and the Issue Date or, if later, the relevant settlement date, including changes in prevailing interest rates, prepayments of principal, developments or trends in any particular industry, changes in the financial condition of the Obligors of Collateral Obligations, the timing of settlement of purchases 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 such Collateral Obligations during such intervening period. 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. Collateral Obligations purchased by the Issuer prior to the Issue Date must satisfy the Eligibility Criteria as at the Issue Date and the Trading Requirements (so long as they are applicable).

In respect of the BGCF Assets to be acquired by the Issuer from BGCF on or about the Issue Date, all or a portion of such BGCF Assets will be settled pursuant to the BGCF Participation Deed. The Portfolio Profile Tests limiting the proportion of the Portfolio constituting Participations to not more than 5.0 per cent. of the Collateral Principal Amount and the constraints provided in the Bivariate Risk Table shall not apply to the Issue Date BGCF Assets. See further "*Participations, Novations and Assignments*" below.

4.5 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 in order to satisfy each of the Coverage Tests (other than the Interest Coverage Tests, which are required to be satisfied as of the Determination Date immediately preceding the second Payment Date), 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 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 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.

4.6 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 which will secure the Notes will be predominantly comprised of Secured Senior Obligations (which may consist of Secured Senior Loans and/or Secured Senior Notes), Unsecured Senior Loans, Second Lien Loans, Mezzanine Obligations and High Yield Bonds lent to or issued by a variety of Obligors with a principal place of business in a Non-Emerging Market Country which are primarily rated below investment grade.

An investment in the Notes of any Class involves a degree of risk arising from fluctuations in the amount and timing of receipt of the principal and interest on the Collateral 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 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 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.

Characteristics of Senior Obligations, Mezzanine Obligations and High Yield Bonds

The Portfolio Profile Tests provide that as of the Effective Date, at least 90 per cent. of the Collateral Principal Amount must consist of Secured Senior Obligations (which shall comprise for this purpose the aggregate of the Aggregate Principal Balance of the Secured Senior Obligations and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date). Investors should note that Secured Senior Obligations may consist of Secured Senior Loans and/or Secured Senior Notes, but there is no restriction under the Portfolio Profile Tests on the proportion of Secured Senior Notes and Secured Senior Loans constituting such Secured Senior Obligations. Senior Obligations, Mezzanine Obligations and High Yield Bonds 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 Obligations, Unsecured Senior Loans and, in some but not all cases, High Yield Bonds are typically at the most senior level of the capital structure with the security claim in respect of Second Lien Loans being subordinated thereto and Mezzanine Obligations being subordinated to any other Senior Obligations or to any other senior debt of the Obligor. High Yield Bonds may represent a senior or subordinated claim, both in respect of security and of ranking of the debt claim represented thereby. Secured Senior Obligations and (to a lesser extent) High Yield Bonds are often secured by specific collateral, including but not limited to, trademarks, patents, accounts receivable, inventory, equipment, buildings, real estate, franchises and common and preferred stock of the Obligor and its subsidiaries and any applicable associated liens relating thereto. In continental Europe, security is often limited to shares in certain group companies, accounts receivable, bank account balances and intellectual property rights. Senior Obligations may be in the form of loans or a security, which may present different risks and concerns. Mezzanine Obligations 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 Obligations usually have shorter terms than more junior obligations and often require mandatory prepayments from excess cash flows, asset dispositions and offerings of debt and/or equity securities.

Secured Senior Notes and High Yield Bonds typically bear interest at a fixed rate. Risks associated with fixed rate obligations are discussed in "*Interest Rate Risk*" below. Additionally, Secured Senior Notes and High Yield Bonds typically contain noteholder collective action clauses permitting specified majorities of noteholders to approve matters which, in a typical Secured Senior Loan, would require unanimous lender consent. The Obligor under a Secured Senior Note or High Yield Bond may therefore be able to amend the terms of the note, including terms as to the amount and timing of payments, with the consent of a specified majority of noteholders, either voting by written resolution or as a majority of those attending and voting at a meeting, and the Issuer is unlikely to have a blocking minority position in respect of any such resolution. The Issuer may be further restricted by the Collateral Management and Administration Agreement from voting on certain matters, particularly extensions of maturity, which may be considered at a noteholder meeting. Consequently, material terms of a Secured Senior Note or High Yield Bond may be varied without the consent of the Issuer.

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

The majority of Senior Obligations and Mezzanine Obligations bear interest based on a floating rate index, for example EURIBOR, a certificate of deposit rate, a prime or base rate (each as defined in the applicable 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 Obligation or Mezzanine Obligation may receive certain syndication or participation fees in connection with its purchase. Other fees payable in respect of a Senior Obligation or Mezzanine Obligation, which are separate from interest payments on such loan, may include facility, commitment, amendment and prepayment fees.

Senior Obligations and Mezzanine Obligations also generally provide for restrictive covenants designed to limit the activities of the Obligors thereunder in an effort to protect the rights of lenders or noteholders to receive timely payments of interest on, and repayment of, principal of the loans or securities. Such covenants may include restrictions on dividend payments, specific mandatory minimum financial ratios, limits on total debt and other financial tests. A breach of covenant (after giving effect to any cure period) under a Senior Obligation or Mezzanine Obligation which is not waived by the lending syndicate 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 Obligation or Mezzanine Obligation may share many similar features with other loans, securities and obligations of its type, the actual term of any Senior Obligation or Mezzanine Obligation will have been a matter of negotiation and will be unique. Any such particular loan may contain non-standard terms and may provide less protection for creditors than may be expected generally, including in respect of covenants, events of default, security or guarantees. In addition, Collateral Obligations in the form of floating rate notes are similar in nature to Cov-Lite Loans and typically do not provide for financial covenants and thus, may result in difficulties in triggering a default – see further "*Investing in Cov-Lite Loans and Cov-Lite Obligations involves certain risks*".

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

In order to induce banks and institutional investors to invest in a Senior Obligation or Mezzanine Obligation, and to obtain a favourable rate of interest, an Obligor under such an obligation often provides the investors therein with extensive information about its business, which is not generally available to the public. Because of the provision of confidential information, the unique and customised nature of the Underlying Instrument including such Senior Obligation or Mezzanine Obligation, and the private syndication of the loan, Senior Obligations and Mezzanine Obligations are not as easily purchased or sold as a publicly traded security, and historically the trading volume in the loan market has been small relative to, for example, the high yield bond market. Historically, investors in or lenders under European Senior Obligations, Mezzanine Obligations and High Yield Bonds have been predominantly commercial banks and investment banks. The range of investors for such loans and securities 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 Obligations is also generally less liquid than that for Senior Obligations, resulting in increased disposal risk for such obligations.

Secured Senior Notes and High Yield Bonds are generally freely transferrable negotiable instruments (subject to standard selling and transfer restrictions to ensure compliance with applicable law, and subject to minimum denominations) and may be listed and admitted to trading on a regulated or an exchange-regulated market;

however, there is currently no liquid market for them to any materially greater extent than there is for Secured Senior Loans. Additionally, as a consequence of the disclosure and transparency requirements associated with any such listing, the information supplied by the Obligors to their debtholders may typically be less than would be provided on a Secured Senior Loan.

Increased Risks for Mezzanine Obligations

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

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

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

Prepayment Risk

Loans are generally prepayable in whole or in part at any time at the option of the obligor thereof at par plus accrued and unpaid interest thereon. Secured Senior Notes may include obligor call or prepayment features, with or without a premium or makewhole. Prepayments on loans and bonds may be caused by a variety of factors, which are difficult to predict. Accordingly, there exists a risk that loans 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 Obligations, Mezzanine Obligations and High Yield Bonds and no assurance can be given as to the levels of default and/or recoveries that may apply to any Senior Obligations, Mezzanine Obligations and High Yield Bonds purchased by the Issuer. As referred to above, although any particular Senior Obligation, Mezzanine Obligation and High Yield Bond often will share many similar features with other loans, securities and obligations of its type, the actual terms of any particular Senior Obligation, Mezzanine Obligation and High Yield Bond 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 Obligations, Mezzanine Obligations and High Yield Bonds 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 Obligations, Mezzanine Obligations and High Yield Bonds are more diverse than ever before, including not only banks and specialist finance providers but also alternative investment managers, specialist debt and distressed debt investors and other financial institutions. The increasing diversification of the investor base has also been accompanied by an increase in the use of hedges, swaps and other derivative instruments to protect against or spread the economic risk of defaults. All of these developments may further increase the risk that historic recovery levels will not be realised. The returns on Senior Obligations, Mezzanine Obligations and/or High Yield Bonds 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 Senior Obligations, Mezzanine Obligations and High Yield Bonds will also be affected by the different bankruptcy regimes applicable in different European jurisdictions and the enforceability of claims against the Obligors thereunder. See "*Insolvency Considerations relating to Collateral Obligations*" below.

Characteristics of Second Lien Loans

The Portfolio Profile Tests provide that not more than 10.0 per cent. of the Collateral Principal Amount can consist of Second Lien Loans (together with Unsecured Senior Loans, Mezzanine Obligations, High Yield Bonds and/or First Lien Last Out 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 any Obligor. In addition, during a bankruptcy of the 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 governmental 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 Obligations.

Characteristics of Unsecured Senior Loans

The Collateral Obligations may include Unsecured Senior Loans. 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 Loans 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 and Cov-Lite Obligations involves certain risks

The Portfolio Profile Tests provide that not more than 30.0 per cent. of the Collateral Principal Amount can consist of Cov-Lite Loans and not more than 80.0 per cent. of the Collateral Principal Amount can consist of Cov-Lite Obligations. Cov-Lite Loans and Cov-Lite Obligations 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 and Cov-Lite Obligations may expose the Issuer to greater 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 or Cov-Lite Obligation 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 or Cov-Lite Obligations as a consequence of any restructuring effected in such circumstances.

Characteristics of High Yield Bonds

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

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

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

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

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

the severity of the effect of any default that differs between the two markets as a result of the aforementioned factors.

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

4.7 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.

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 a 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 Institutions may not be required to consider the interest of the Issuer in connection with the exercise of its votes. Participations expose the Issuer to the credit risk of the relevant Selling Institution – see further "*The EU Bank Recovery and Resolution Directive*" above.

Additional risks are therefore associated with the purchase of Participations by the Issuer as opposed to Assignments. The Portfolio Profile Tests impose limits on the amount of Collateral Obligations that may comprise Participations as a proportion of the Collateral Principal Amount.

In respect of the Issue Date BGCF Assets (as described in "*Purchases of Collateral Obligations from BGCF*" above), all or a portion of such Issue Date BGCF Assets will be settled pursuant to the BGCF Participation Deed entered into between BGCF and the Issuer. The Portfolio Profile Tests limiting the proportion of the Portfolio constituting Participations to not more than 5.0 per cent. of the Collateral Principal Amount and the constraints provided in the Bivariate Risk Table shall not apply to the Issue Date BGCF Assets. The BGCF Participation Deed requires that the Issuer and BGCF use commercially reasonable efforts to elevate the applicable Participation by transferring to the Issuer the legal and beneficial interest in such Issue Date BGCF Asset as soon as reasonably practicable. However, certain circumstances may occur that could cause a delay in the elevation of any such Participation. For example, the related administrative agent may place the credit on hold and refuse to acknowledge assignment for a period of time, or the applicable Obligor, administrative agent or letter of credit provider may withhold a required consent. As a result, the Issuer will be subject to the same risks associated with Participations as described above. In order to mitigate this risk, BGCF shall grant to the Issuer security over the relevant Issue Date BGCF Asset pending such transfer of legal and beneficial interest.

4.8 Corporate Rescue Loans

The Portfolio Profile Tests provide that not more than 5.0 per cent. of the Collateral Principal Amount may comprise of Corporate Rescue Loans. Corporate Rescue Loans are made to companies that have experienced, or are experiencing, significant financial or business difficulties such that they have become subject to bankruptcy or other reorganisation and liquidation proceedings and thus involves additional risks. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that the Issuer (or the Collateral Manager on its behalf) will correctly evaluate the value of the assets securing the Corporate Rescue Loan or the prospects for a successful reorganisation or similar action and accordingly the Issuer could suffer significant losses on its investments in such Corporate Rescue Loan. In any reorganisation or liquidation case relating to a company in which the Issuer invests, the Issuer may lose its entire investment, may be required to accept cash or securities with a value less than the Issuer's original investment and/or may be required to accept payment over an extended period of time.

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

Although a Corporate Rescue Loan is secured, where the Obligor is subject to U.S. bankruptcy law, it has a priority permitted by Section 364(c) or section 364(d) under the United States Bankruptcy Code and at the time that it is acquired by the Issuer is required to be current with respect to scheduled payments of interest (if any).

4.9 Bridge Loans

The Portfolio Profile Tests provide that not more than 3.0 per cent. of the Collateral Principal Amount may be comprised of Bridge Loans. Bridge Loans are generally a temporary financing instrument and as such the interest rate may increase after a short period of time in order to encourage an Obligor to refinance the Bridge Loan with more long-term financing. If an Obligor is unable to refinance a Bridge Loan, the interest rate may be subject to an increase and as such Bridge Loans may have greater credit and liquidity risk than other types of loans.

4.10 Collateral Enhancement Obligations

All funds required in respect of the purchase price of any Collateral Enhancement Obligations and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of the Balance standing to the credit of the Supplemental Reserve Account at the relevant time and proceeds from additional issuances of Subordinated Notes. 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 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) €3,750,000 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 €11,250,000.

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 or the proceeds from additional issuances of Subordinated Notes may also or alternatively be used to fund the purchase of additional Collateral Obligations or Substitute Collateral Obligations. There can therefore be no assurance that the Balance standing to the credit of the Supplemental Reserve Account or the proceeds from additional issuances of Subordinated Notes 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 Account or the proceeds from additional issuances of Subordinated Notes to pay the costs of any such exercise. Failure to exercise any such right or option may result in a reduction of the returns to the Subordinated Noteholders (and, potentially, Noteholders of other Classes).

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

4.11 Voting Restrictions on Syndicated Loans for Minority Holders

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

4.12 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 with respect of any such payments. Each such counterparty is required to satisfy the applicable Rating Requirement (taking into account any guarantor thereof), upon entry into the applicable contract or instrument. Such credit risk exposes the Issuer not just to insolvency risk but also potentially the risk of the effect of a special resolution regime where the counterparty is a regulated entity within the scope of such regime – see further "*The EU Bank Recovery and Resolution Directive*" above.

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 any 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.

4.13 Concentration Risk

The Issuer will invest in a portfolio of Collateral Obligations consisting of Senior Obligations, Mezzanine Obligations and High Yield Bonds. Although no significant concentration with respect to any particular Obligor, industry or country is expected to exist at the Effective Date, the concentration of the Portfolio in any one Obligor would subject the Notes to a greater degree of risk with respect to defaults by such Obligor, and the concentration of the Portfolio in any one industry would subject the Notes to a greater degree of risk with respect to economic downturns relating to such industry. The Portfolio Profile Tests and Collateral Quality Tests attempt to mitigate any concentration risk in the Portfolio. See "*The Portfolio — Portfolio Profile Tests and Collateral Quality Tests*".

4.14 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.

4.15 Interest Rate Risk

The Notes accrue interest at a floating rate. It is possible that Collateral Obligations (in particular High Yield Bonds) may bear interest at fixed rates and there is no requirement that the amount or portion of Collateral Obligations securing the Notes must bear interest on a particular basis, save for the Portfolio Profile Test which requires that not more than 5.5 per cent. of the Collateral Principal Amount may comprise Fixed Rate Collateral Obligations.

In addition, any payments of principal or interest received in respect of Collateral Obligations and not otherwise reinvested during the Reinvestment Period in 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 fixed/floating rate mismatch, 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 EURIBOR), 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 change 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 mismatch, 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 and Account Bank Agreement (as defined in the Conditions), the Issuer is required to pay to the Account Bank all costs and expenses reasonably incurred by the Account Bank in relation to the accounts of the Issuer held with the Account Bank 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.

4.16 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 30.0 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 an associated Currency Hedge Transaction, 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 Hedge Transactions 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 Currency Hedge Transactions 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 Currency Hedge Transactions and due to restrictions in the Collateral Management and Administration Agreement with respect to such Currency Hedge Transactions.

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.

4.17 Trading Requirements

So long as the Issuer is relying on the exclusion from the Investment Company Act provided by Rule 3a-7 thereunder it will not acquire or dispose of a Collateral Obligation unless the Trading Requirements are met or deemed satisfied. These include (i) that the acquisition or disposal of Collateral Obligations for the primary purpose of recognising gains or decreasing losses from market value changes is not permitted and (ii) any additional purchase or sale of "eligible assets" (as defined in Rule 3a-7) is permitted only if the purchase or sale does not result in a downgrading of the Issuer's outstanding Notes. This could prevent the Issuer from selling assets that the Collateral Manager expects may decline in value or from reinvesting principal payments or sale proceeds in Collateral Obligations. See "*Issuer Reliance on Rule 3a-7*" above.

4.18 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 or bonds, portfolio income will be reduced which will result in reduced amounts available for payment on the Notes. In general, the larger the amount and the longer the time period during which cash balances remain uninvested the greater the adverse impact on portfolio income which will reduce amounts available for payment on the Notes, especially the Subordinated Notes. The extent to which cash balances remain uninvested will be subject to a variety of factors, including future market conditions and is difficult to predict.

During the Reinvestment Period, subject to compliance with certain criteria and limitations described herein, the 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 and the Trading Requirements (so long as they are applicable). 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 Reinvestment Criteria and the Trading Requirements (so long as they are applicable). 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 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 such Reinvestment Criteria 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 and the Trading Requirements (so long as they are applicable), 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 Obligations 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 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.

4.19 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 S&P 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 S&P Rating. In most instances, the S&P Rating and the Moody's Rating will not be based on or derived from a public rating of the Obligor or the actual Collateral Obligation. In most cases, the S&P 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 S&P. 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 S&P 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*".

There can be no assurance that Rating Agencies will continue to assign such ratings utilising the same methods and standards utilised today despite the fact that such Collateral Obligation might still be performing fully to the specifications set forth in its Underlying Instrument. Any change in such methods and standards could result in a significant rise in the number of S&P CCC Obligations and Moody's Caa Obligations in the Portfolio, which could cause the Issuer to fail to satisfy the Par Value Tests on subsequent Determination Dates, which failure could lead to the early amortisation of some or all of one or more Classes of the Notes. See Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

4.20 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. If an Obligor is a regulated financial institution, the Issuer may be exposed to additional credit risk with respect to the relevant Obligor – see further "*The EU Bank Recovery and Resolution Directive*" above.

The different insolvency regimes applicable in the different European jurisdictions result in a corresponding variability of recovery rates for Senior Obligations, Mezzanine Obligations and High Yield Bonds entered into by Obligors in such jurisdictions. No reliable historical data is available.

4.21 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 the 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 the 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.

4.22 Loan Repricing

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

4.23 Changes in Tax Law; No Gross Up; General

The Eligibility Criteria require that at the time Collateral Obligations are acquired by the Issuer (or at the Issue Date if later) payments of interest on or sale proceeds received for the disposal of those 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 payments or situs of the Collateral Obligations) 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, whether as a result of any change in any applicable law, rule or regulation or interpretation thereof or otherwise, the payments on or in respect of the Collateral Obligations will not be or 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 Ireland 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 or tax by direct assessment, 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 Noteholder in the manner described in Condition 7(b) (*Optional Redemption*).

4.24 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 publicly listed bonds, be limited to a review of readily available public information and in respect of Collateral Obligations which are bonds which are not publicly listed, any analysis by the Collateral Manager (on behalf of the Issuer) will be in accordance with standard review procedures for such type of bonds and, 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.

Pursuant to the Collateral Management and Administration Agreement, the Collateral Manager will not be liable for any losses or damages resulting from any failure to satisfy its standard of care except (A) by reason of acts or omissions constituting bad faith, fraud, wilful misconduct or due to the gross negligence (with such term given its meaning under New York law) or reckless disregard of its duties and obligations under the Collateral Management and Administration Agreement, (B) by reason of the Collateral Manager Information containing any untrue statement of material fact, which makes statements therein, in the light of the circumstances under which they were made, misleading or (C) by reason of the Collateral Manager Information omitting to state a material fact, which makes statements therein, in the light of the circumstances under which they were made, misleading. In no event shall the Collateral Manager be liable for any consequential damages. Investors should note that, for such purpose and notwithstanding that the Notes and the Transaction Documents are governed by English law, the interpretation of "gross negligence" will be made pursuant to New York law. Under New York law, the concept of gross negligence is a significantly lower standard than negligence, requiring conduct akin to intentional wrongdoing or reckless indifference. As a result, the Collateral Manager may in some circumstances have no liability for its actions or inactions under the Collateral Management and Administration Agreement where it would otherwise have been liable if a mere negligence standard was applied or if New York law was not designated as the law pursuant to which the concept of gross negligence for this purpose would be interpreted.

The Collateral Manager shall indemnify the Issuer in respect of Collateral Manager Breaches subject to and in accordance with the Collateral Management and Administration Agreement.

The Issuer is a newly incorporated entity and has no operating history or performance record of its own, other than entry into binding commitments to purchase certain Issue Date BGCF Assets on or after the Issue Date. 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 and thus the return to investors. 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 high-yield 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. Furthermore, irrespective of a resignation, removal or replacement of the Collateral Manager pursuant to the terms of the Collateral Administration and Agency Agreement, the requirement to satisfy the Originator Requirement will continue to apply (solely in accordance with the definition thereof and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition), as described in "*Purchases of Collateral Obligations from BGCF*" above. Given the relationship between BGCF and the Collateral Manager, as described in "*Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Collateral Manager, BGCF and their Affiliates*", the ongoing application of such requirement may create an impediment in the identification and appointment of a suitable replacement Collateral Manager.

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.

The Collateral Manager may hire consultants, advisers or other professionals on behalf of the Issuer from time to time. There can be no assurance that the advice offered by any such professionals will not conflict with the interest of the holders of one or more Classes of Notes. The fees of any such professionals will be paid by the Issuer as Administrative Expenses.

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

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

As at the Issue Date, the Issuer has not been registered under the Investment Company Act in reliance on both Section 3(c)(7) of the Investment Company Act and Rule 3a-7. The Issuer or the Collateral Manager (on behalf of the Issuer) has the right by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*)) to elect to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7, provided that the Issuer or the Collateral Manager (on behalf of the Issuer) has obtained a legal opinion (which shall be addressed to the Trustee) from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being considered to be a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule and, for so long as any of the Class A-1 Notes remain Outstanding, the holders of the Class A-1 Notes, acting by way of an Ordinary Resolution, have consented thereto.

Unless and until the Issuer or the Collateral Manager (on behalf of the Issuer) so elects, the Collateral Manager will be restricted from causing the Issuer to acquire any Collateral Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment which is not an "eligible asset" (as defined in Rule 3a-7) or an asset which is otherwise permitted under Rule 3a-7 (except to the extent Trading Requirements relating to these types of assets are deemed satisfied).

The Collateral Obligations, Collateral Enhancement Obligations, Exchanged Equity Securities or Eligible Investments being acquired or disposed of by the Issuer will be subject to the terms and conditions set forth in the Trust Deed and the other Transaction Documents. The acquisition or disposition of any Collateral Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment may not

result in the reduction or withdrawal of the then-current rating issued by the Rating Agencies on any Class of Notes (other than the Subordinated Notes). Until the Issuer elects to rely solely on the exemption under Section 3(c)(7) of the Investment Company Act in the circumstances described above, the Collateral Manager will also be restricted from causing the Issuer to dispose of any Collateral Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment or acquire any Collateral Obligation, Collateral Enhancement Obligation or Eligible Investment for the primary purpose of recognising gains or decreasing losses resulting from market value changes. These restrictions mean that the Issuer may be required to hold a Collateral Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment or be precluded from acquiring a Collateral Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment when it would have sold such Collateral Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment or acquired such Collateral Obligation, Collateral Enhancement Obligation, Exchanged Equity Security or Eligible Investment, as applicable, had it based such determination on expected market value changes. As a result, greater losses on the Portfolio may be sustained and there may be insufficient proceeds on any Payment Date to pay in full any expenses of the Issuer or any amounts payable prior to payments in respect of the principal of and interest on the Notes. See "*Issuer Reliance on Rule 3a-7*" above. The Collateral Manager, in its capacity as agent of the Issuer, has the discretion to advise the Issuer to make the election referred to above and accordingly the Issuer may cease to rely upon the exclusion provided by Rule 3a-7 in the future. Neither the Collateral Manager, in giving any such advice or acting on behalf of the Issuer nor the Issuer in making an election to cease to rely upon Rule 3a-7, has a duty to act in a way that is favourable to individual or Classes of Noteholders and conflicts of interests may arise accordingly.

4.25 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 purchases any 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.

4.26 Acquisition and Disposition of Collateral Obligations

The estimated net proceeds of the issue of the Notes after payment of fees and expenses (including the deposit of funds in the Expense Reserve Account for payment of fees and expenses) payable on or about the Issue Date are expected to be approximately €548,425,000. Such estimated net proceeds will be (a) used to fund the First Period Reserve Account in an amount equal to €2,000,000 and (b) deposited into the Collection Account and transferred to the Unused Proceeds Account to be utilised (together with the amounts credited to the First Period Reserve Account) to fund (i) the acquisition of the Issue Date BGCF Assets complying with the Eligibility Criteria (whether acquired by way of Participations or otherwise) purchased prior to the Issue Date and (ii) the acquisition of Collateral Obligations complying with the Eligibility Criteria and the Trading Requirements (so long as they are applicable) purchased by the Issuer during the Initial Investment Period (as defined in the Conditions). 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, the Trading Requirements (so long as they are applicable) 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.

4.27 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 Collateral Manager on behalf of 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

4.28 Valuation Information; Limited Information

None of 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.

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

Centre of main interest

The Issuer has its registered office in Ireland. As a result there is a rebuttable presumption that its centre of main interest ("**COMI**") is in Ireland and consequently that any main insolvency proceedings applicable to it would be governed by Irish law. In the decision by the 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 Ireland, currently has Irish directors, is registered for tax in Ireland and has an Irish corporate services provider, 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 Ireland, and is held to be in a different jurisdiction within the European Union, main insolvency proceedings may not be opened in Ireland.

Examinership

Examinership is a court moratorium/protection procedure which is available under the Irish company law to facilitate the survival of Irish companies in financial difficulties. Where a company, which has its COMI in Ireland is, or is likely to be, unable to pay its debts an examiner may be appointed on a petition to the relevant Irish court under Section 509 of the Companies Act 2014.

The Issuer, the directors of the Issuer, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Issuer are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to halt, prevent or rectify acts or omissions, by or on behalf of the company after his appointment and, in certain circumstances, negative pledges given by the company prior to his appointment will not be binding on the company. Furthermore, where proposals for a scheme of arrangement are to be formulated, the company may, subject to the approval of the court, affirm or repudiate any contract under which some element of performance other than the payment remains to be rendered both by the company and the other contracting party or parties.

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

The fact that the Issuer is a special purpose entity and that all its liabilities are of a limited recourse nature means that it is unlikely that an examiner would be appointed to the Issuer.

If however, for any reason, an examiner were appointed while any amounts due by the Issuer under the Notes were unpaid, the primary risks to the Noteholders are as follows:

(a) the Trustee, acting on behalf of the Noteholders, would not be able to enforce rights against the Issuer during the period of examinership; and

(b) a scheme of arrangement may be approved involving the writing down of the debt owed by the Issuer to the Noteholders irrespective of the Noteholders' views.

Preferred Creditors

If the Issuer becomes subject to an insolvency proceeding and the Issuer has obligations to creditors that are treated under Irish law as creditors that are senior relative to the Noteholders, the Noteholders may suffer losses as a result of their subordinated status during such insolvency proceedings. In particular:

(a) under the terms of the Trust Deed, the Rated Notes will be secured in favour of the Trustee for the benefit of itself and the other Secured Parties by security over a portfolio of Collateral Obligations and assignments of various of the Issuer's rights under the Transaction Documents. Under Irish law, the claims of creditors holding fixed charges may rank behind other creditors (namely fees, costs and expenses of any examiner appointed and certain capital gains tax liabilities) and, in the case of fixed charges over book debts, may rank behind claims of the Irish Revenue Commissioners for PAYE, local property tax and VAT;

(b) under Irish law, for a charge to be characterised as a fixed charge, the charge holder is required to exercise the requisite level of control over the assets purported to be charged and the proceeds of such assets including any bank account into which such proceeds are paid. There is a risk therefore that even a charge which purports to be taken as a fixed charge may take effect as a floating charge if a court deems that the requisite level of control was not exercised; and

(c) in an insolvency of the Issuer, the claims of certain other creditors (including the Irish Revenue Commissioners for certain unpaid taxes), as well as those of creditors mentioned above, will rank in priority to claims of unsecured creditors and claims of creditors holding floating charges.

5 CONFLICTS OF INTEREST

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.

Certain Conflicts of Interest Involving or Relating to the Collateral Manager, BGCF and their Affiliates

The following briefly summarises various potential and actual conflicts of interest that may arise from the overall advisory, investment, capital markets, lending and other activities of Blackstone / GSO Debt Funds Management Europe Limited ("**DFME**") in its capacity as the Collateral Manager, BGCF in its capacity as Retention Holder and each of their respective Affiliates, clients, personnel and employees, but is not intended to be an exhaustive list of all such conflicts. References in this conflicts discussion to the Collateral Manager and BGCF include their respective 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 payment of any Incentive Collateral Management Fee is dependent to some degree on yield earned on the Collateral Obligations. The fee structure could create an incentive for the Collateral Manager to manage the Issuer's investments in a manner as to seek to maximise the yield on the Collateral Obligations relative to investments of higher creditworthiness. Managing the portfolio with the objective of increasing yield, even though the Collateral Manager is constrained by investment restrictions, could result in an increase in defaults or volatility and could contribute to a decline in the aggregate market value of the Collateral Obligations and therefore the return and repayment of certain of the Notes. The Collateral Manager is under no obligation to manage the Portfolio in a manner which will favour any of the Noteholders.

Certain inherent conflicts of interest arise from the fact that the Collateral Manager and its Affiliates that operate under the credit business of the Blackstone Group L.P. (collectively, "**GSO Affiliates**") will provide investment management services, advisory services and/or service support both to the Issuer and other clients, including originator vehicles, other collateralised debt obligation vehicles, other investment funds, and any other investment vehicles that the GSO Affiliates may establish from time to time (the "**Other GSO 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) (collectively, the "**GSO Managed Accounts**")) and proprietary accounts managed by GSO Affiliates in which the Issuer will not have an interest (such other clients, funds and accounts (including Other GSO Funds), collectively the "**Other GSO Accounts**"). In addition, The Blackstone Group L.P. and its Affiliates (collectively, "**Blackstone Affiliates**") provide investment management services to other clients, including other investment funds, and any other investment vehicles that Blackstone Affiliates may establish from time to time (such funds, other than the Other GSO Funds, the "**Other Blackstone Funds**", and together with the Other GSO Funds, the "**Other Funds**"), client accounts, and proprietary accounts in which the Issuer will not have an interest (such other clients, funds and accounts, other than the Other GSO Accounts, collectively the "**Other Blackstone Accounts**" and together with the Other GSO Accounts, the "**Other Accounts**"). The respective investment programs of the Issuer and the Other Accounts may or may not be substantially similar. GSO Affiliates and Blackstone Affiliates may give advice and recommend securities to Other Accounts which may differ from advice given to, or securities recommended or purchased on behalf of, the Issuer, even though their investment objectives may be the same or similar to those of the Issuer.

Whilst BGCF is self-managed, BGCF is provided certain service support by DFME. Given that the Issuer is managed by a GSO Affiliate and BGCF is provided with certain service support by the same GSO Affiliate, certain conflicts of interest may arise given that GSO Affiliates will be participating on both the purchase and the sale side of transactions involving the purchase of Collateral Obligations by the Issuer from BGCF. In addition, a portion of the Collateral Principal Amount will consist of Collateral Obligations and Eligible Investments, pursuant to and as further described in the definition of Originator Requirement (solely in accordance with the definition thereof and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition) which are acquired from BGCF and BGCF may acquire certain of these assets from Other GSO Funds. Furthermore, in consideration of BGCF's role in establishing the transaction described herein, the Collateral Manager will rebate up to 20 per cent. of the Collateral Management Fees (excluding the Incentive Collateral Management Fee) it earns in its capacity as collateral manager to the Issuer. After the deduction of all costs (calculated at arm's length) attributable to BGCF, it is expected that the net rebate may be at least 10 per cent. of the Collateral Management Fees (excluding the Incentive Collateral Management Fee). In addition, the Initial Purchaser has agreed to pay to BGCF a portion of its fees in respect of the Notes in a minimum amount equal to 5 per cent. of the aggregate principal amount of the Retention Notes.

While the Collateral Manager will seek to manage potential conflicts of interest in good faith, the portfolio strategies employed by the GSO Affiliates and Blackstone Affiliates in managing their respective Other Accounts could conflict with the transactions and strategies employed by the Collateral Manager in managing the Portfolio 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. It is the policy of the GSO Affiliates and Blackstone Affiliates to generally share appropriate investment opportunities (including purchase and sale opportunities) with the Other Accounts. The Collateral Manager is committed to transacting in securities and loans in a manner that is consistent with the investment objectives of its clients, and to allocating investment opportunities (including purchase and sale opportunities) among its clients on a fair and equitable basis. In allocating investment opportunities, the Collateral Manager determines which clients' investment mandates are consistent with the investment opportunity, taking into account risk/return profile, investment guidelines and objectives, and liquidity objectives. As a general matter, investment opportunities will be allocated *pro rata* based on their respective targeted acquisition size (which may be based upon available capacity or, in some cases, a specified maximum target size of such client) or targeted sale size (which is generally based upon the position size held by selling clients), in a manner that takes into account the applicable factors listed below. In addition, the Collateral Manager complies with specific allocation procedures set forth in the governing documents for its clients and described during the marketing process. While no client will be favoured over any other client, in allocating investment opportunities certain clients may have priority over other clients consistent with disclosures made to the applicable investors. Consistent with the foregoing, the Collateral Manager will generally allocate investment opportunities pursuant to certain allocation methodologies as appropriate depending on the nature of the investment. Notwithstanding the foregoing, investment opportunities may be allocated in a manner that differs from such methodologies but is otherwise fair and equitable to clients, taken as a whole (including, in certain circumstances, a complete opt-out of the allocation). In instances where the clients target different strategies but overlap with respect to certain investment opportunities, the Collateral Manager may determine that a particular investment most appropriately fits within the portfolio and strategy focus of the relevant Other Account and may allocate the investment to such Other Account. Any such allocations must be documented in accordance with the Collateral Manager's procedures and undertaken with reference to one or more of the following considerations: (a) the risk-return and target-return profile of the investment opportunity and the Issuer and the relevant Other Accounts risk profiles; (b) the Issuer's or the Other Accounts' investment guidelines, restrictions, terms and objectives, including whether such objectives are considered solely in light of the specific investment under consideration or in the context of their respective portfolio's overall holdings; (c) the need to re-size risk in the Issuer's or Other Accounts' portfolios, including the potential for the proposed investment to create an industry, sector or issuer imbalance in the Issuer's and the Other Accounts' portfolios and taking into account any existing non-*pro rata* investment positions in such portfolios; (d) liquidity considerations of the Issuer and Other Accounts, including during a ramp-up or wind-down of the Issuer or such Other Account, proximity to the end of the specified term of the Issuer's or such Other Account's investment period, any redemption/withdrawal requests, anticipated future contributions and available cash; (e) tax consequences; (f) regulatory restrictions or consequences; (g) avoiding *de minimis* or odd lot allocations; (h) availability and degree of leverage and any requirements or other terms of any existing leverage facilities; (i) the Issuer's or Other Accounts' investment focus on a classification attributable to an investment or issuer of an investment, including, without limitation, geography, industry or business sector; (j) the nature and extent of involvement in the transaction on the part of the respective teams of investment professionals or service support teams dedicated to the Issuer or an Other Account; (k) managing any actual or potential conflict of interest; (l) with respect to investments that are made available to the Collateral Manager by counterparties pursuant to negotiated trading platforms (e.g. ISDA contracts) which may not be available for the Other Accounts in the absence of such relationships; and (m) any other considerations deemed relevant by the Collateral Manager, BGCF or the applicable investment advisor to the Other Account. Because of these and other factors, certain Other Accounts may effectively have priority in investment allocation over the Issuer or BGCF, notwithstanding DFME's and BGCF's policy of *pro rata* allocation.

Orders may be combined for all such accounts, and if any order is not filled at the same price, they may be allocated on an average price basis. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, securities may be allocated among the different accounts on a basis which the Collateral Manager or its Affiliates consider equitable.

Neither the Blackstone Affiliates nor the Other Accounts are under any obligation to offer investment opportunities of which they become aware to the Issuer or to share with the Issuer or to inform the Issuer of any such transaction or any benefit received by them from any such transaction or to inform the Issuer of any investments before offering any investments to other funds or accounts that they manage or advise.

Furthermore, Affiliates of the Collateral Manager may make an investment on their own behalf or on behalf of their clients without offering the opportunity to add such investment, or adding such investment, to the Collateral Obligations. Affirmative obligations may exist or may arise in the future, whereby Affiliates of the Collateral Manager may be obligated to offer certain investments to funds or accounts that such Affiliates manage or advise before or without the Collateral Manager offering those investments to the Issuer.

All the different bases for determination on allocations as described above may result in the Issuer failing to achieve the return from its portfolio that it would have achieved had a particular asset or assets been allocated to them and this may have a material adverse effect on the general performance of the Issuer and thus the return to investors.

DFME may invest in or, in its capacity as Collateral Manager, provide advice in respect of, assets on behalf of the Issuer or BGCF (as applicable) that it or any of its clients 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 expects, from time to time, the Issuer and the Other Accounts to make investments at different levels of an issuer's capital structure or otherwise in different classes of an issuer's securities. When making such investments, the Collateral Manager expects its clients to have 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 holds securities that are different (or more senior or junior) from those held by an Other Account, the Blackstone Affiliates are likely to be presented with decisions involving circumstances where the interests of the Issuer and the Other Account are in conflict. Furthermore, it is possible that the Issuer's interest may be subordinated or otherwise adversely affected by virtue of such Other Accounts' involvement and actions relating to their investment. 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 other Blackstone 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 Blackstone Affiliates, Blackstone Affiliates or GSO Affiliates may obtain the right to participate on their 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 however believe that the foregoing arrangements have an effect on the overall terms and conditions negotiated with the arrangers of such senior loans. Notwithstanding this, there is no guarantee that such conflicts will be resolved in favour of the Issuer and, if the conflict is resolved in a manner which is considered by such entities (or their investors) to be adverse to their interests, this may have a material adverse effect on the performance of the Issuer and thus the return to the investors.

The Collateral Obligations may include obligations issued by entities in which Blackstone Affiliates or Other Accounts have made investments, obligations that Blackstone Affiliates have assisted in structuring but in which they have or have not chosen to invest and obligations in respect of which Blackstone 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 Blackstone Affiliates or Other Accounts, and the Issuer may purchase Collateral Obligations from, or sell Collateral Obligations and Eligible Investments to, one or more Blackstone Affiliates or Other Accounts, including (but not limited to) in the event of an Optional Redemption effected through liquidation or realisation of Collateral or an enforcement and liquidation of the Collateral pursuant to Condition 11(b) (*Enforcement*). On or prior to the Issue Date the Issuer expects to acquire or commit to purchase Collateral Obligations representing approximately 72 per cent. of the Target Par Amount. 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 tax guidelines set forth in the Collateral Management and Administration Agreement and 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.

Blackstone Affiliates or Other Accounts may from time to time purchase any of the Notes. Blackstone Affiliates or Other Accounts (other than BGCF in relation to the Retention Notes) will not be required to retain all or any part of the Notes acquired by them. If Blackstone Affiliates or Other Accounts were to purchase any Notes, 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 Blackstone 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 and/or 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 Notes. Furthermore, the Collateral Manager, acting in its sole discretion on behalf of the Issuer, will be entitled to designate amounts that would otherwise be treated as interest proceeds to be treated as principal proceeds and vice versa in certain limited circumstances. There can be no assurance that the Collateral Manager will not make such designations in a manner that seeks to maximise the yield on any Notes held by it or a GSO Affiliate which may increase the probability of reductions or delays in payments on the more senior Notes.

In addition, DFME, in its capacity as Collateral Manager, may enter into agreements with one or more Noteholders (which may include BGCF) pursuant to which DFME may agree, subject to its obligations under the Trust Deed, the Collateral Management and Administration Agreement and applicable law, to take actions with respect to such Noteholder or Noteholders that it will not take with respect to all of the Noteholders. Such agreements may provide that such Noteholders will be entitled to receive a portion of the Management Fees payable on each Payment Date during the term of the transaction. The performance and incentives of the Collateral Manager may be negatively impacted by such fee rebate arrangement.

At any given time, any Notes beneficially owned by Blackstone Affiliates or Other Accounts will be disregarded and deemed not to be Outstanding with respect to a vote in connection with the removal of the Collateral Manager for "cause" as defined in the Collateral Management and Administration Agreement, the appointment of a successor Collateral Manager 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 Noteholders will be entitled to vote Notes held by them or over which they have discretionary voting authority with respect to all other matters. If Blackstone Affiliates or Other Accounts hold or otherwise have discretionary voting authority over the requisite percentage of the Principal Amount Outstanding of the Notes, such Noteholders 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 Notes.

It is expected that a portion of the Collateral Obligations may be loans or other securities in respect of which Blackstone Affiliates or Other Accounts participated in the original lending group or were structured or originated by GSO Affiliates or GSO Accounts (a "**GSO Structured Loan**"). In the case of any transaction between BGCF and the Issuer (provided no Blackstone Affiliate or GSO Affiliate has an ownership interest of 25 per cent. or more in BGCF at the time of such transaction), the Collateral Manager may seek consent to such transactions from the Issuer on a quarterly basis, and such consent may occur after the applicable transaction has settled. If the Issuer does not consent to one of more of such transactions, the Collateral Manager shall consult with the Issuer on the appropriate course of action that should be taken with respect to the related Collateral Obligation(s). In all other circumstances, the Issuer will be required to seek the prior consent to the terms of such a purchase or sale of a GSO Structured Loan from an Independent Client Representative selected from the list of entities set forth in the definition of "Independent Client Representative" that will be appointed by the Issuer as its agent to the extent required by Section 206(3) of the Investment Advisers Act. The Independent Client Representative will be authorised by the Issuer to consent or decline to consent, on the Issuer's behalf, to the terms of any affiliate transaction where a potential conflict of interest may arise by reason of, amongst other things, the involvement of GSO Affiliates or GSO Accounts such as a purchase or sale of a Collateral Obligation from Blackstone Affiliates or Other Accounts, including a GSO Structured Loan. Except where the Independent Client Representative is the Issuer's board of directors, the Issuer will initially appoint an Independent Client Representative pursuant to an agreement entered into by and among the Issuer, the Collateral Manager and an Independent Client Representative (an "**Independent Client Representative Agreement**"), and the fees and expenses of the Independent Client Representative payable thereunder will constitute Administrative Expenses as described herein. A successor Independent Client Representative may be appointed if proposed by the Collateral Manager and either (i) included in the list of entities set forth in the definition herein of "Independent Client Representative" or (ii) approved by the holders of the Subordinated Notes (acting by Ordinary Resolution). The Collateral Management and Administration Agreement will also provide that the Issuer will consent and agree that, if any transaction is subject to the disclosure and consent requirements of Section 206(3) of the Investment Advisers Act, such requirements will be satisfied with respect to the Issuer if the procedures described in the Collateral Management and Administration Agreement are followed. Each holder will be deemed, by purchasing a Note, to have consented to the procedures described herein with respect

to the Independent Client Representative and the board consent process for transactions between BGCF and the Issuer.

For the purposes of this section, an "**affiliate transaction**" shall mean (i) a purchase or sale of a Collateral Obligation between the Issuer and a fund managed by the Collateral Manager or one of its Affiliates; (ii) a transaction involving the Issuer and the Collateral Manager or one of its Affiliates, where the Collateral Manager or one of its Affiliates is acting as principal for its own account; or (iii) a transaction in which the Collateral Manager, or an Affiliate of the Collateral Manager, acts as broker for another person on the other side of the transaction.

To the extent the Issuer is prohibited from receiving a payment, fee or other consideration with respect to an investment made (or to be made) by the Issuer due to restrictions contained in the Collateral Management and Administration Agreement or otherwise, such amount will either be foregone or paid to the Collateral Manager (to the extent permissible under any applicable ERISA restrictions), which payment will not reduce the amount payable to the Collateral Manager for services pursuant to the Collateral Management and Administration Agreement or under any other Transaction Documents in any capacity.

The Collateral Manager may arrange for the Issuer to acquire Collateral Obligations from, and sell Collateral Obligations to, Blackstone Affiliates, BGCF or Other Accounts from time to time subject to the applicable procedures in the Collateral Management and Administration Agreement.

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 Blackstone Affiliates and Other Accounts in connection with their other advisory activities or investment operations. In addition 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. There is no guarantee that the Collateral Manager will be able to aggregate orders in a way which achieves such overall economic benefit, and if such benefit is not achieved this may have a material adverse effect on the performance of the Issuer.

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 or advised 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 level of expenses allocated to the Issuer may have an adverse effect. A high level of expenses may result in a decreased return on the Notes. In each case, the level of expenses may have a material adverse effect on the performance of the Issuer and thus the return to the investors.

Blackstone Affiliates engage in a broad spectrum of activities. In the ordinary course of their business activities, Blackstone Affiliates may engage in activities where the interests of certain divisions of Blackstone Affiliates or the interests of their clients may conflict with the interests of the Noteholders. Other present and future activities of Blackstone 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. As a result, if conflicts were resolved in a manner perceived to be adverse to the Issuer, this may have a material adverse effect on the performance of the Issuer and thus on the return to investors.

Specified policies and procedures implemented by Blackstone Affiliates (including the Collateral Manager, BGCF and their Affiliates) (e.g. information walls) to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions reduce the synergies across Blackstone Affiliates' various

businesses that the Issuer expects to draw on for purposes of pursuing attractive investment opportunities. Because Blackstone Affiliates have many different 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 that to which they would otherwise be subject if they had just one line of business. In connection with their investment banking, advisory and other businesses, Blackstone Affiliates come into possession of information that limits their ability to engage in potential transactions. The Issuer's activities are expected to be constrained as a result of the inability of the personnel of Blackstone Affiliates to use such information. For example, from time to time employees of Blackstone Affiliates are prohibited by law or contract from sharing information with members of the Collateral Manager's investment team. Additionally, there are expected to be circumstances in which Blackstone Affiliates (including the Issuer) will be restricted in their trading activities because GSO Affiliates and/or Blackstone Affiliates have received certain confidential information available to those individuals or to other parts of Blackstone Affiliates (e.g. trading may be restricted). Where Blackstone Affiliates are engaged to find buyers or financing sources for potential sellers of assets, the seller may permit a client to act as a participant in such transactions (as a buyer or financing participant), which would raise certain conflicts of interest inherent in such a situation (including as to the negotiation of the purchase price). In addressing related conflicts and regulatory, legal and contractual requirements across its various businesses, Blackstone Affiliates have implemented certain policies and procedures (e.g. information walls) that may reduce the positive synergies that the Issuer expects the Collateral Manager to utilise for purposes of managing its investments. For example, Blackstone 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 Blackstone 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, Blackstone Affiliates may limit a client and/or its portfolio companies from engaging in agreements with or related to, companies of any client of Blackstone Affiliates and/or from time to time restrict or otherwise limit the ability of the Issuer to make investments in or otherwise engage in businesses or activities competitive with companies of other clients of Blackstone Affiliates, either as result of contractual restrictions or otherwise. Finally, Blackstone Affiliates have in the past and is likely in the future to enter into one or more strategic relationships in certain regions or with respect to certain types of investments that, although possibly 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. Any of the foregoing restrictions on the Blackstone Affiliates may (either directly, or indirectly via restrictions on the Issuer's ability to participate in any relevant investments), result in a relative decrease in the performance of the Issuer and thus on the return to investors.

As part of their regular business, Blackstone Affiliates provide a broad range of investment banking, advisory, underwriting, placement agent and other services. In addition, Blackstone Affiliates may provide services in the future beyond those currently provided. The Issuer and the investors will not receive a benefit from the fees or profits derived from such services. As a result of these and other obligations, the Blackstone Affiliates are not exclusively dedicated to the Issuer and there may be a relatively lower performance of the Issuer and thus return to investors as compared to a situation where the Blackstone Affiliates are exclusively dedicated to providing services to them. In addition, future services Blackstone Affiliates agree to provide as part of their business may create a conflict of interest with the Issuer that has an adverse effect on the performance of the Issuer and thus the return to investors. In such a case, a client of a Blackstone Affiliate would typically require the Blackstone Affiliate to act exclusively on its behalf. This advisory client request may preclude all Blackstone Affiliate clients (including the Issuer) from participating in related transactions that would otherwise be suitable. Blackstone Affiliates will be under no obligation to decline any such engagements in order to make an investment opportunity available to the Issuer.

Blackstone Affiliates have long-term relationships with a significant number of corporations and their senior management. In determining whether to invest in a particular transaction on behalf of the Issuer, the Collateral Manager will consider those relationships, which may result in certain transactions that the Collateral Manager will not undertake on behalf of the Issuer, will not assist the Issuer in relation to or will not advise the Issuer in respect of, in view of such relationships. This may result in a lack of availability of resources, support or advice that the Issuer requires to manage effectively its investments. The Issuer may also co-invest with clients of Blackstone Affiliates in particular investment opportunities, and the relationship with such clients could influence the decisions made by the Collateral Manager with respect to such investments. Any such relationships may have an adverse effect on the performance of the Issuer and thus the return to investors.

Blackstone Affiliates are expected to participate from time to time in underwriting or lending syndicates for an issuer of a Collateral Obligation, or to otherwise be involved in the public offering and/or private placement of

debt or equity securities issued by, or loan proceeds borrowed by, such issuers. Such engagements may be on a firm commitment basis or may be on an uncommitted "best efforts" basis. Blackstone Affiliates may also, on behalf of the issuers of Collateral Obligations or other parties to a transaction involving such issuers, effect transactions, including transactions in the secondary markets where they may nonetheless have a potential conflict of interest regarding such issuers and the other parties to those transactions to the extent they receive commissions or other compensation from the issuers and such other parties. Subject to applicable law, Blackstone Affiliates may receive underwriting fees, discounts, placement commissions, lending arrangement and syndication fees or other compensation with respect to the foregoing activities, which are not required to be shared with the issuers, the Issuer or the Collateral Manager. In addition, the management fee payable by the Issuer generally will not be reduced by such amounts. The Collateral Manager will recommend a transaction in which a broker-dealer that is a Blackstone Affiliate acts as an underwriter, as broker for the issuer of Collateral Obligations, or as dealer, broker or advisor, on the other side of a transaction with the Issuer only where the Collateral Manager believes in good faith that such transaction is appropriate for the Issuer. In addition, where a Blackstone Affiliate serves as underwriter with respect to any Blackstone Affiliate issuer's securities or loans, the issuer may be subject to a "lock-up" period following the offering under applicable regulations during which time its ability to sell any securities that it continues to hold is restricted. This may prejudice the issuers' ability to dispose of such securities or loans at an opportune time.

On October 1, 2015, The Blackstone Group spun off its financial and strategic advisory services, restructuring and reorganization advisory services, and its Park Hill fund placement businesses and combined these businesses with PJT Partners, an independent financial advisory firm founded by Paul J. Taubman. While the new combined business will operate independently from The Blackstone Group and will not be an Affiliate thereof, nevertheless conflicts may arise in connection with transactions between or involving the Issuer and the entities in which the Issuer invests on the one hand and the spun-off firm on the other. Specifically, given the spun-off firm will not be an affiliate of The Blackstone Group, there may be fewer or no restrictions or limitations placed on transactions or relationships engaged in by the new advisory business as compared to the limitations or restrictions that might apply to transactions engaged in by an affiliate of The Blackstone Group. It is expected that there will be substantial overlapping ownership between The Blackstone Group and the spun-off firm for a considerable period of time going forward. Therefore, conflicts of interest in doing transactions involving the spun-off firm will still arise. The pre-existing relationship between The Blackstone Group and its former personnel involved in such financial and strategic advisory services, the overlapping ownership, co-investment and other continuing arrangements, may influence the CLO Managers in deciding to select or recommend such new company to perform such services for the Issuer (or an entity in which the Issuer invest), as applicable (the cost of which will generally be borne directly or indirectly by the Issuer or such entity, as applicable).

Blackstone Affiliates are expected to 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, derivatives or loans of such 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 as a result the Issuer may miss out on opportunities which could have resulted in greater returns on its investments. 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 Blackstone 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, all of which could have a material adverse effect on the performance of the Issuer and thus the return to investors. In addition, the Collateral Manager, in an effort to avoid trading restrictions on behalf of the Issuer or other clients of the Collateral Manager or its Affiliates, may choose to forego an opportunity to receive (or elect not to receive) information that other market participants or counterparties, including those with the same positions in the obligor as the Issuer, are eligible to receive or have received, even if possession of such information would be advantageous to the Issuer.

From time to time employees of Blackstone Affiliates may serve as directors or advisory board members of certain portfolio companies or other entities. In connection with such services and subject to applicable law, Blackstone Affiliates receive directors' fees or other similar compensation. Such amounts may, but are not expected to be, material, and will not be passed through to the Issuer.

The Issuer's service providers (including lenders, brokers, attorneys and investment banking firms) may be investors in Other Accounts and/or may be sources of investment opportunities or counterparties to any of the foregoing. 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 Blackstone Affiliates. In particular, an Affiliate of the Collateral Manager will act as the Corporate Services Provider of the Issuer and BGCF, and BGCF is provided certain service support by DFME (the entity that also acts as Collateral Manager). In situations where the Collateral Manager or its Affiliates were influenced to not use a particular service provider as a result of the above and it was considered that the refused service provider would have performed in a manner considered to be relatively better than the service provider actually chosen, this may be perceived to have an adverse relative effect on the performance of the Issuer and thus the return to investors. 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). The allocation is not guaranteed, however, and if an allocation was not able to be made on the basis of best execution, this could result in an adverse relative effect on the performance of the Issuer and thus the return to investors. Advisers and their service providers, or their affiliates, often charge different rates or have different arrangements for specific types of services. Therefore, based on the types of services used by clients (such as Issuer) as compared to Blackstone Affiliates and the terms of such services, Blackstone Affiliates may benefit to a greater degree from such vendor arrangements than the clients (such as the Issuer).

Further conflicts could arise once the Issuer and other Affiliates have made their respective 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 Blackstone 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, BGCF and their Affiliates may expand the range of services that they provide over time. Except as described in this Offering Circular, the Collateral Manager, BGCF and their Affiliates will not be restricted in the scope of their 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, BGCF and their 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. As compared to a situation where the Collateral Manager and its affiliates were bound not to advise clients on similar (and potentially competing) interests as those held by the Issuer, the relative performance of the Issuer may be lower.

DFME and its members, partners, officers, managers and employees will devote as much of their time to the activities of the Issuer or BGCF (as or if applicable) as DFME deems necessary and appropriate, in accordance with the Collateral Management and Administration Agreement and the portfolio service support agreement between DFME and BGCF (the "**Portfolio Service Support Agreement**") (as applicable) and reasonable commercial standards. Subject to the terms of the applicable offering and/or governing documents, DFME, GSO Affiliates and Blackstone Affiliates expect to form additional investment funds, enter into other investment advisory relationships and engage 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 or BGCF (as applicable). These activities could be viewed as creating a conflict of interest in that the time and effort of DFME and its officers, managers, members and employees will not be devoted exclusively to the business of the Issuer or BGCF (as or if applicable) but will be allocated between the business of the Issuer and the management of the monies of other advisees of the Collateral Manager and other activities of BGCF (as applicable). In the event that sufficient Collateral Manager resources are not (or not able to be) devoted to the Issuer, the Issuer's ability to implement its investment policy may be adversely affected. This could have an adverse effect on the financial performance of the Issuer.

From time to time, the Collateral Manager expects the Issuer to acquire a security from an issuer in which a separate security has been acquired by an Other Account or a Blackstone Affiliate. When making such investments, the client is expected to have conflicting interests. To the extent that the Issuer holds interests that are different (or more senior or junior) from those held by such other vehicles, accounts and clients, the Collateral Manager is likely to be presented with decisions involving circumstances where the interests of such other vehicles and accounts 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, or account's involvement and actions relating to its investment. For example, conflicts would be expected to arise where the Issuer becomes a lender to a company where another client owns equity securities of that 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 and/or BGCF may trade in securities for their own accounts, subject to restrictions and reporting requirements as may be required by law or the policies of Blackstone Affiliates, or otherwise determined from time to time by the Collateral Manager or BGCF.

The Collateral Management and Administration Agreement may 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. This may lead to a reduced relative return on the Issuer's investments.

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 of which it becomes aware, and the Collateral Manager may be precluded from offering to the Issuer particular securities in certain situations including, without limitation, where the Collateral Manager or its Affiliates may have a prior contractual commitment with Other Accounts.

No provision in the Collateral Management and Administration Agreement or the Portfolio Service Support Agreement (as applicable) prevents the Collateral Manager or any Blackstone Affiliates from rendering services of any kind, including but not limited to acting as Corporate Services Provider, 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, Blackstone Affiliates and the directors, officers, employees and agents of Blackstone 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. Further to the above, the Issuer has appointed Intertrust Management Ireland Limited, an Affiliate of the Collateral Manager, as its corporate administrator.

Blackstone 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, Blackstone 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, Blackstone 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, Blackstone Affiliates may own equity or other securities of Obligors of Collateral Obligations and may have provided investment advice, investment management and other services to issuers 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, Blackstone 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 are expected to 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 Blackstone 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 Blackstone 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.

Blackstone Affiliates may purchase Notes creating potential and/or actual conflicts of interest between the Collateral Manager and/or its Affiliates and other investors in the Notes. Such purchases may be in the secondary market and may occur a significant amount of time after the Issue Date. Resulting conflicts of interest could include (a) divergent economic interests between the Collateral Manager and Blackstone Affiliates that hold such Notes, on the one hand, and other investors in the Notes, on the other hand, and (b) voting of Notes by Blackstone Affiliates, or a recommendation to vote by the same, to cause, among other things, an early redemption of the Notes and/or an amendment of the transaction documents relating to the Notes.

The Collateral Manager may from time to time consult with, receive input from and provide information to third parties (who may or may not be or become direct and indirect owners of the Notes) in respect of obligations being considered for acquisition by the Issuer. Some of those same third parties may have interests adverse to those of the Noteholders and may take a short position (for example, by buying protection under a credit default swap) relating to any such obligations or securities. This Offering Circular does not contain any information relating to the individual Collateral Obligations that will comprise the initial portfolio or that may secure the Notes from time to time.

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

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 collateral 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 holders of the Notes as holders of the Notes.

The Investment Company Act prohibits certain "joint" or "principal" transactions with certain of GSO's Affiliates and GSO Accounts, which could include investment in the same portfolio company (whether at the same of different time). These prohibitions may limit the scope of the investment opportunities that would otherwise be available to the Issuer and this could have a material adverse effect on the Issuer's ability to find suitable investments, and consequently on the Issuer's financial performance and thus the return to the investors.

Investors should note that BGCF has agreed with the Initial Purchaser to acquire a proportion of the Subordinated Notes on the Issue Date which will represent a controlling stake in such Class, giving it the ability to control (amongst other things) the passing of any Ordinary Resolutions to effect certain Optional Redemptions pursuant to Condition 7(b) (*Optional Redemption*).

Rating Agencies

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

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

Each of the Initial Purchaser and its Affiliates (the "**DB Parties**") will play various roles in relation to the offering, including the roles described below.

The DB Parties have been involved (together with the Collateral Manager) in the formulation of the Portfolio Profile Tests, Coverage Tests, Collateral Quality Tests, Priorities of Payments and other criteria in and provisions of the Trust Deed and the Collateral Management and Administration Agreement. These may be influenced by discussions that the Initial Purchaser may have or have had with investors and there is no assurance that investors would agree with the views of one another or that the resulting modifications will not adversely affect the performance of the Notes or any particular Class of Notes. The Initial Purchaser is also a financing party under the BGCF Financing. See further "*Purchases of Collateral Obligations from BGCF*" above.

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

The DB 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 DB Parties are part of a global banking, investment banking and securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. As such, they actively make markets in and trade financial instruments for their own account and for the accounts of customers in the ordinary course of their business. The financial services that the DB Parties provide also include financing and, as such, the DB Parties may have and/or may provide financing to the Collateral Manager, BGCF and/or any of their respective Affiliates and such financing may directly or indirectly involve financing of the Retention Notes. In the case of such financing, the DB Parties may have received security over assets of the Collateral Manager, BGCF and/or any of their respective Affiliates, including security over the Retention Notes, resulting in the DB Parties having enforcement rights and remedies which will include the right to appropriate or sell the Retention Notes. When exercising its rights in connection with such financing, the relevant DB Party may seek to enforce its security over all or some of the Retention Notes and take possession or sell such Retention Notes to a third party. In such circumstances, BGCF may not be able to comply with its undertakings related to the Retention Requirements which may (i) have adverse implications for investors who are subject to the Retention Requirements including, without limitation, the imposition of penal capital charges on the Notes held by such investors and (ii) negatively affect the liquidity and, correspondingly, the value of the Notes. In addition, the DB Parties may derive fees and other revenues from the arrangement and provision of such financing. The DB Parties may have positions in and will likely have placed, underwritten or syndicated 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 DB 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 DB Parties will act in its own commercial interest in its various capacities without regard to whether its interests conflict with those of the holders of the Notes or any other party including, without limitation, in deciding whether to enforce its security granted in connection with any financing. Moreover, the Issuer may invest in loans of Obligors Affiliated with the DB Parties or in which one or more DB 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 DB Party own investments in such Obligors.

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

The DB Parties do not disclose specific trading positions or their hedging strategies, including whether they are in long or short positions in any Notes or obligations referred to in this Offering Circular except where required in accordance with the applicable law. Nonetheless, in the ordinary course of business, DB Parties and employees or customers of the DB 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 DB 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 DB 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 DB 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.

None of the DB Parties will have any obligation to monitor the performance of Collateral Obligations or the actions of the Collateral Manager or the Issuer. None of the DB Parties will have any authority to advise the Collateral Manager or the Issuer or direct their actions or act in a fiduciary capacity in respect of the Issuer or the Collateral Manager (including, without limitation, in respect of the formulation of the Portfolio Profile Tests, Coverage Tests, Collateral Quality Tests, Priorities of Payments and other criteria in and provisions of the Transaction Documents), which, in respect of the Issuer will be solely the responsibility of the Collateral Manager. No DB Party has done, and no DB Party will do, any analysis of the Collateral Obligations acquired or sold by the Issuer for the benefit of, or in a manner designed to further the interests of, any Noteholder.

6 INVESTMENT COMPANY ACT

The Issuer has not registered with the SEC as an investment company pursuant to the Investment Company Act, in reliance on both (i) an exemption under Section 3(c)(7) of the Investment Company Act for investment companies (a) whose outstanding securities are beneficially owned only by "qualified purchasers" (within the meaning given to such term in the Investment Company Act and the regulations of the SEC thereunder) with respect to the Issuer and certain transferees thereof identified in Rule 3c-5 and Rule 3c-6 under the Investment Company Act and (b) which do not make a public offering of their securities in the United States and (ii) an exclusion from the definition of investment company for certain asset-backed issuers that meet the conditions of Rule 3a-7. So long as the Issuer relies on Rule 3a-7, its ability to acquire and dispose of Collateral Obligations may be limited, which could adversely affect its ability to realise gains, mitigate losses or reinvest principal payments or sale proceeds. In 2011, the SEC published an advance notice of proposed rulemaking to potentially consider proposing amendments to Rule 3a-7. Any guidance from the SEC or its staff regarding Rule 3a-7, including changes that the SEC may ultimately adopt to Rule 3a-7, that narrow the scope of Rule 3a-7, could further inhibit the business activities of the Issuer and adversely affect the holders of the Notes.

No opinion or no–action position has been, nor will be requested of the SEC with respect to the status of the Issuer as investment company under the Investment Company Act.

If the SEC or a court of competent jurisdiction were to find that the Issuer is required, but in violation of the Investment Company Act had failed, to register as an "investment company", possible consequences include, but are not limited to, the following: (i) the SEC could apply to a district court to enjoin the violation; (ii) investors in the Issuer could sue the Issuer and seek recovery of any damages caused by the violation; and (iii) any contract to which the Issuer is party that is made in violation of the Investment Company Act or whose performance involves such violation could be declared unenforceable by any party to the contract unless a court

were to find that under the circumstances enforcement would produce a more equitable result than non–enforcement and would not be inconsistent with the purposes of the Investment Company Act. In addition, the Issuer or any of the Collateral becoming required to register as an "investment company" under the Investment Company Act will constitute an Event of Default if such requirement continues for 45 days. Should the Issuer be subjected to any or all of the foregoing, the Issuer would be materially and adversely affected.

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

The Trust Deed will provide that if, notwithstanding the restrictions on transfer contained therein, the Issuer determines that any holder of an interest in a Rule 144A Note (1) is a U.S. Person and (2) is not a QIB/QP at the time it acquires an interest in a Rule 144A Note (any such person, a "**Non Permitted Noteholder**"), the Issuer shall, promptly after discovery that such person is a Non Permitted Noteholder by the Issuer, send notice to such Non Permitted Noteholder demanding that such Non Permitted Noteholder transfer its interest to a person that is not a Non Permitted Noteholder within 30 days of the date of such notice. If such Non Permitted Noteholder fails to effect the transfer required within such 30 day period, (a) upon direction from the Issuer or the Collateral Manager on its behalf, shall cause such beneficial interest to be transferred in a commercially reasonable sale (conducted by the Issuer or the Collateral Manager on its behalf 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) to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of each of the Class A Notes, the Class B Notes, the Class C Notes, the Class *D Notes, the Class E Notes 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. See "Form of the Notes – Amendments to Conditions".*

The issue of €324,500,000 Class A-1 Senior Secured Floating Rate Notes due 2029 (the "**Class A-1 Notes**"), €60,500,000 Class A-2 Senior Secured Floating Rate Notes due 2029 (the "**Class A-2 Notes**"), the Class A-1 Notes and Class A-2 Notes together, the "**Class A Notes**"), the €42,500,000 Class B Senior Secured Deferrable Floating Rate Notes due 2029 (the "**Class B Notes**"), the €26,250,000 Class C Senior Secured Deferrable Floating Rate Notes due 2029 (the "**Class C Notes**"), the €33,500,000 Class D Senior Secured Deferrable Floating Rate Notes due 2029 (the "**Class D Notes**"), the €14,000,000 Class E Senior Secured Deferrable Floating Rate Notes due 2029 (the "**Class E Notes**" and, together with the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the "**Rated Notes**") and the €56,930,000 Subordinated Notes due 2029 (the "**Subordinated Notes**" and, together with the Rated Notes, the "**Notes**") of Elm Park CLO Designated Activity Company (the "**Issuer**") was authorised by resolutions of the board of Directors of the Issuer passed on 13 May 2016. 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 26 May 2016 (the "**Issue Date**") between (amongst others) the Issuer and Citibank, N.A. London Branch (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) in its capacity as trustee for itself and for the Noteholders and as security trustee for the Secured Parties.

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, Citigroup Global Markets Deutschland AG as registrar (the "**Registrar**", which term shall include any successor or substitute registrars appointed pursuant to the terms of the Agency and Account Bank Agreement) and Citibank, N.A. London Branch, as principal paying agent, account bank, calculation agent, custodian and transfer agent (respectively, "**Principal Paying Agent**", "**Account Bank**", "**Calculation Agent**", "**Custodian**" and "**Transfer Agent**", which terms shall include any successor or substitute principal paying agent, account bank, calculation agent, custodian or transfer agent, 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, amongst others, Blackstone / GSO Debt Funds Management Europe Limited, 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, Virtus Group LP 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 an information agent appointed pursuant thereto (the "**Information Agent**", which term shall include any successor information agent) and (c) a corporate services agreement dated 13 May 2016 between the Issuer and Intertrust Management Ireland Limited (the "**Corporate Services Provider**", which term shall include any successor or replacement corporate administrator of the Issuer appointed in accordance with the terms of the Trust Deed) (the "**Corporate Services Agreement**", which term shall include any subsequent administration agreement entered into between the Issuer and any such successor or replacement corporate administrator). Copies of the Trust Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement and the Retention Undertaking Letter are available for inspection during usual business hours at the registered office of the Issuer (presently at 3rd Floor, Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland) and at the specified office of the Transfer 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*).

"**Account Deed of Charge**" means the deed of charge dated on or about the Issue Date entered into between the Issuer and BGCF in relation to the BGCF Participation Deed.

"**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 First Period Reserve Account, each Counterparty Downgrade Collateral Account, the Currency Account, each Hedge Termination Account, the Interest Smoothing Account, the Unfunded Revolver Reserve Account and the Collection Account.

"**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 Class Break-Even Default Rate**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**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 Securities); *plus*

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

(c) without duplication, the amounts on deposit in the Principal Account and the Unused Proceeds Account (to the extent such amounts represent Principal Proceeds) (including Eligible Investments therein which represent Principal Proceeds); *plus*

(d) in relation to a Deferring Security or a Defaulted Obligation the lesser of:

(i) its Moody's Collateral Value; and

(ii) its S&P Collateral Value;

provided that, in the case of a Defaulted Obligation, the value determined under this paragraph (d) of a Defaulted Obligation that has been a Defaulted Obligation for more than three years after the date on which it became a Defaulted Obligation and continues to be a Defaulted Obligation on such date shall be zero; *plus*

(e) the aggregate, for each Discount Obligation, of the product of the:

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

(ii) Principal Balance of such Discount Obligation; *minus*

(f) the Excess CCC/Caa Adjustment Amount;

provided that:

(A) with respect to any Collateral Obligation that satisfies more than one of the definitions of Defaulted Obligation, Discount Obligation, Deferring Security 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

(B) in respect of paragraph (b) above, any non-Euro amounts received will be converted into Euro (I) 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 (II) in the case of each Non-Euro Obligation which is not subject to a Currency Hedge Agreement, at the Spot Rate.

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

"**Administrative Expenses**" means amounts due and payable by the Issuer in the following order of priority (in each case, including all value added tax thereon):

(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, to the extent that interest is chargeable on any Account, to the payment of any additional fee by the Issuer to the Account Bank in accordance with the Agency and Account Bank Agreement and in an amount equal to the interest payable;

(ii) the Collateral Administrator and the Information Agent pursuant to the Collateral Management and Administration Agreement including amounts by way of indemnity;

(iii) the Corporate Services Provider pursuant to the Corporate Services Agreement including amounts by way of indemnity; and

(iv) to 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:

(i) to any Rating Agency which may from time to time be requested to assign:

(A) a rating to each of the Rated Notes; or

(B) a confidential credit estimate to any of the Collateral Obligations,

for fees and expenses (including surveillance fees) in connection with any such rating or confidential credit estimate including, in each case, the ongoing monitoring thereof and any other amounts due and payable to any Rating Agency under the terms of the Issuer's engagement with such Rating Agency;

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

(iii) to the Directors of the Issuer in respect of directors' fees (if any);

(iv) 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 fees and expenses of the Independent Client Representative or any value added tax payable thereon pursuant to the Collateral Management and Administration Agreement;

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

(vi) 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,

amounts payable to any listing agent and any fees and expenses incurred by the Issuer (in its sole and absolute discretion) in assisting in the preparation, provision or validation of data for purposes of Noteholder tax jurisdictions;

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

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

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

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

(xi) to the payment of the fees and expenses of any Independent Client Representative (including any value added tax payable thereon);

(xii) to the payment of any costs and expenses (including any value added tax thereon) 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) or the CRA Regulation (and 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;

(xiii) on a *pro rata* basis to the costs of any Person (including the Collateral Manager) in connection with satisfying the Retention Requirements, the retention requirements under STS Regulation (if applicable) or the requirements of Solvency II, in each case such costs as they relate to the Issuer only, including any costs or fees related to additional due diligence or reporting requirements;

(xiv) to the payment of any auditing and other fees, costs and expenses (including any value added tax thereon) incurred in connection with the acquisition of the Issue Date BGCF Assets, including in respect of any facilities or service providers engaged by BGCF for such purpose;

(xv) to any person in connection with satisfying the requirements of Rule 17g-5 or 17g-10; and

(xvi) FATCA Compliance Costs;

(c) any Refinancing Costs not otherwise covered above; and

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

provided that:

(A) the Collateral Manager may direct the payment of any Rating Agency fees set out in paragraph (b)(i) above other than in the order required by paragraph (b) 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) the Collateral Manager, in its reasonable judgement, determines a payment other than in the order required by paragraph (b) above (but in all cases subject to amounts payable under paragraph (a) above having been paid in priority) is required to ensure the delivery of certain accounting services and reports.

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

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

(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 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, any other 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 Coupon**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Aggregate Excess Funded Spread**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Aggregate Funded Spread**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**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.

"**Aggregate Unfunded Spread**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**AIFMD**" means the European Union Directive 2011/61/EU on Alternative Investment Fund Managers (as amended from time to time and as implemented by EU member states) together with any implemented or delegated regulations, technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.

"**AIFMD Retention Requirements**" means Article 51 of Regulation (EU) No 231/2013 (the "**AIFM Regulation**") as amended from time to time and Article 17 of the AIFMD, as implemented by Section 5 of Chapter III of the European Union Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFMD, including any guidance published in relation thereto and any implementing laws or regulations in force in any EU member state, provided that any reference to the AIFMD Retention Requirements shall be deemed to include any successor or replacement provisions of Section 5 included in any European

Union directive or regulation subsequent to the AIFMD or the European Union Commission Delegated Regulation (EU) No 231/2013.

"**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 15.3 (*Advice*), clause 15.18 (*Delegation*) and clause 15.19 (*Agents*) of the Trust Deed.

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

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

"**Authorised Integral Amount**" means for each Class of Notes, €1,000.

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

"**Average Life**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Average Principal Balance**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**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:

(A) 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;

(B) 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

(C) other than for the purposes of calculating the Collateral Principal Amount for the purposes of determining compliance with the Retention Requirements or in determining whether a Retention Deficiency has occurred, 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 S&P Collateral Value (determined as if such Eligible Investment were a Collateral Obligation).

"**Basic Terms Modification**" has the meaning given to it in Condition 14(b)(vi) (*Extraordinary Resolution*).

"**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.

"**BGCF**" means Blackstone / GSO Corporate Funding Designated Activity Company or any successor thereto to the extent permitted under the Retention Requirements and the Retention Undertaking Letter.

"**BGCF Participation Deed**" means the participation deed dated on or about the Issue Date entered into between the Issuer and BGCF.

"**Bridge Loan**" shall mean any Collateral Obligation that:

(a) is incurred in connection with a merger, acquisition, consolidation, sale of all or substantially all of the assets of a person, restructuring or similar transaction;

(b) by its terms, is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings; and

(c) prior to its purchase by the Issuer, is rated by Moody's and S&P, or, if the Bridge Loan is not rated by Moody's and S&P, Rating Agency Confirmation with respect to each Rating Agency that has not rated such Collateral Obligation has been obtained.

"**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 Dublin, London and New York (other than a Saturday or a Sunday); and

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

"**CCC/Caa Excess**" means, 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 S&P 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*:

(A) in determining the Collateral Principal Amount for the purposes of paragraph (a) and (b) above, the Principal Balance of Defaulted Obligations shall be excluded;

(B) 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

(C) in determining which of the S&P CCC Obligations shall be included under part (b) above, the S&P 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 S&P CCC Obligations.

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

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

"**Class A 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-1 Notes and the Class A-2 Notes on the following Payment Date. For the purposes of calculating the Class A 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-1 Notes and the Class A-2 Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class A 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 Interest Coverage Ratio is at least equal to 120.00 per cent.

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

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

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

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

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

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

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

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

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

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

"**Class A 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 Par Value Ratio is at least equal to 133.86 per cent.

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

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

"**Class B CM Voting Notes**" means the Class B Notes in the form of CM Voting **Notes**.

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

"**Class 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-1 Notes, the Class A-2 Notes and the Class B Notes on the following Payment Date. For the purposes of calculating the Class 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-1 Notes, the Class A-2 Notes and the Class B Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class 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 B Interest Coverage Ratio is at least equal to 115.0 per cent.

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

"**Class 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-1 Notes, the Class A-2 Notes and the Class B Notes.

"**Class B 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 B Par Value Ratio is at least equal to 121.65 per cent.

"**Class Break-Even Default Rate**" has the meaning given to it in the Collateral Management and Administration Agreement.

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

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

"**Class C CM Voting Notes**" means the Class C Notes in the form of CM Voting Notes.

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

"**Class C Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the scheduled interest payments due on the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes on the following Payment Date. 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-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class C Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date and which will be satisfied on such Measurement Date if the Class C Interest Coverage Ratio is at least equal to 110.0 per cent.

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

"**Class C Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the amount equal to the Adjusted Collateral Principal Amount; by

(b) the sum of the Principal Amount Outstanding of each of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and 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 115.71 per cent.

"**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-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes on the following Payment Date. 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-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class D Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date and which will be satisfied on such Measurement Date if the Class D Interest Coverage Ratio is at least equal to 105.0 per cent.

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

"**Class D Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the amount equal to the Adjusted Collateral Principal Amount; by

(b) the sum of the Principal Amount Outstanding of each of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, Class C Notes and the Class D Notes.

"**Class D Par Value Test**" means the test which will apply as of any Measurement Date on 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 108.13 per cent.

"**Class Default Differential**" has the meaning given to it in the Collateral Management and Administration Agreement.

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

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

(a) the Class A-1 Notes;

(b) the Class A-2 Notes;

(c) the Class B Notes;

(d) the Class C Notes;

(e) the Class D Notes;

(f) the Class E Notes; and

(g) the Subordinated Notes,

and "**Class of Noteholders**" and "**Class**" shall be construed accordingly. Notwithstanding that the Class A-1 CM Voting Notes, the Class A-1 CM Non-Voting Notes and the Class A-1 CM Exchangeable Non-Voting Notes are in the same Class; the Class A-2 CM Voting Notes, the Class A-2 CM Non-Voting Notes and the Class A-2 CM Exchangeable Non-Voting Notes are in the same Class; the Class B CM Voting Notes, the Class

B CM Non-Voting Notes and the Class B CM Exchangeable Non-Voting Notes are in the same Class; and the Class C CM Voting Notes, the Class C CM Non-Voting Notes and the Class C CM Exchangeable Non-Voting Notes are in the same Class, they shall not be treated as a single Class in respect of any vote or determination of quorum under the Trust Deed in connection with any CM Removal Resolution and/or CM Replacement Resolution, as further described in the Conditions, the Trust Deed and the Collateral Management and Administration Agreement.

"**Class Scenario Default Rate**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Clearing System Business Day**" means a day on which Euroclear and Clearstream, Luxembourg are open for business.

"**CM Exchangeable Non-Voting Notes**" means Notes which:

(a) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on a CM Removal Resolution and/or a CM Replacement Resolution but which do carry a right to vote on and be so counted in respect of all other matters in respect of which the CM Voting Notes have a right to vote and be so counted; and

(b) are exchangeable into:

(i) CM Non-Voting Notes at any time; or

(ii) CM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor.

"**CM Non-Voting Notes**" means Notes which:

(a) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on a CM Removal Resolution and/or a CM Replacement Resolution but which do carry a right to vote on and be so counted in respect of all other matters in respect of which the CM Voting Notes have a right to vote and be so counted; and

(b) are not exchangeable into CM Voting Notes or CM Exchangeable Non-Voting Notes at any time.

"**CM Removal Resolution**" means any Resolution, vote, written direction or consent of the Noteholders in relation to the removal of the Collateral Manager in accordance with the Collateral Management and Administration Agreement.

"**CM Replacement Resolution**" means any Resolution, vote, written direction or consent of the Noteholders in relation to the appointment of a successor Collateral Manager or any assignment or delegation by the Collateral Manager of its rights or obligations, in each case, in accordance with the Collateral Management and Administration Agreement.

"**CM Voting Notes**" means Notes which carry a right to vote, in respect of and be counted for the purposes of determining a quorum and the result of voting on a CM Removal Resolution and/or a CM Replacement Resolution and all other matters as to which Noteholders are entitled to vote and are exchangeable at any time upon request by the relevant Noteholder into CM Exchangeable Non-Voting Notes or CM Non-Voting Notes.

"**Code**" means the United States Internal Revenue Code of 1986, as amended from time to time.

"**Collateral**" means the property, assets and rights described in Condition 4(a) (*Security*) which are charged, pledged and/or assigned to the Trustee from time to time for the benefit of the Secured Parties pursuant to the Trust Deed.

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

"**Collateral Enhancement Obligation**" means any warrant or equity security, excluding Exchanged Equity Securities, but including without limitation, warrants relating to Mezzanine Obligations and any equity security received upon conversion or exchange of, or exercise of an option under, or otherwise in respect of a Collateral 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, 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.

"**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 Information**" means the information under "*Description of the Collateral Manager*" and "*Risk Factors – Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Collateral Manager, BGCF and their Affiliates*".

"**Collateral Obligation**" means any debt obligation or debt security purchased (including by way of a Participation) by or on behalf of the Issuer from time to time (or, if the context so requires, to be purchased by or on behalf of the Issuer) and which satisfies the Eligibility Criteria at the time that any commitment to purchase is entered into by or on behalf of the Issuer and, in the case of each Issue Date Collateral Obligation, 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, the Post-Reinvestment Period 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, the Post-Reinvestment Period 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 Collateral Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) shall only constitute a Collateral Obligation for the purpose of the calculation of the Portfolio Profile Tests, Collateral Quality Tests, Coverage Tests, Reinvestment Par Value Test, the Post-Reinvestment Period Par Value Test and all other tests and criteria applicable to the Portfolio if it satisfies the Restructured Obligation Criteria 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 (including, for the purposes of the Portfolio Profile Tests only, accrued and unpaid interest purchased with Principal Proceeds), 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 (other than for the S&P CDO Monitor Test) (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:

(i) the aggregate amount of all accrued and unpaid interest purchased with Principal Proceeds (other than with respect to Defaulted Obligations); and

(ii) without duplication with paragraph (b)(i) above, 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 represent Principal Proceeds, and including the principal amount of any Eligible Investments purchased with such Balance 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).

Notwithstanding the above, for the purposes of calculating the Collateral Principal Amount in determining compliance with the Retention Requirements or in determining whether a Retention Deficiency has occurred, each Collateral Obligation shall be treated as having a Principal Balance without applying any adjustments or haircuts.

"**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; and

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

(b) so long as any Notes rated by S&P are Outstanding:

(i) (as of the Effective Date and until the expiry of the Reinvestment Period only) the S&P CDO Monitor Test; and

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

(c) so long as any Rated Notes are Outstanding:

(i) the Minimum Weighted Average Floating Spread Test; and

(ii) the Weighted Average Life Test,

each as defined in the Collateral Management and Administration Agreement.

"**Collateral Tax Event**" means at any time, as a result of the introduction of a new, or any change in a statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation (whether proposed, temporary or final) in any jurisdiction, 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 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 so that the Issuer receives the same amount on an after tax basis that it would have received had no direct taxation or withholding tax been imposed) 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 or indemnity) on all Collateral Obligations in relation to such Due Period.

"**Collection Account**" means the account described as such in the name of the Issuer with the Account Bank, held within the United Kingdom and in any event outside Ireland.

"**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.

"**Constitution**" means the memorandum of association and the articles of association of the Issuer.

"**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:

(a) the Class A-1 Notes; or

(b) **(i)** following redemption and payment in full of the Class A-1 Notes; or

(ii) prior to the redemption and payment in full of the Class A-1 Notes and solely in connection with a CM Removal Resolution and/or a CM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A-1 Notes is held in the form of CM Non-Voting Notes and/or CM Exchangeable Non-Voting Notes,

the Class A-2 Notes; or

(c) **(i)** following redemption and payment in full of the Class A-1 Notes and the Class A-2 Notes; or

(ii) prior to the redemption and payment in full of the Class A-1 Notes and the Class A-2 Notes and solely in connection with a CM Removal Resolution and/or a CM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A-1 Notes and the Class A-2 Notes is held in the form of CM Non-Voting Notes and/or CM Exchangeable Non-Voting Notes,

the Class B Notes; or

(d) **(i)** following redemption and payment in full of the Class A-1 Notes, the Class A-2 Notes and the Class B Notes; or

(ii) prior to the redemption and payment in full of the Class A-1 Notes, the Class A-2 Notes and the Class B Notes and solely in connection with a CM Removal Resolution and/or a CM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A-1 Notes, the Class A-2 Notes and the Class B Notes is held in the form of CM Non-Voting Notes and/or CM Exchangeable Non-Voting Notes,

the Class C Notes; or

(e) **(i)** following redemption and payment in full of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes; or

(ii) prior to the redemption and payment in full of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes and solely in connection with a CM Removal Resolution and/or a CM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes is held in the form of CM Non-Voting Notes and/or CM Exchangeable Non-Voting Notes,

the Class D Notes; or

(f) following redemption and payment in full of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Class E Notes; or

(g) following redemption in full of all of the Rated Notes, the Subordinated Notes,

provided that, solely in connection with a CM Removal Resolution and/or a CM Replacement Resolution:

(i) no Notes held in the form of CM Non-Voting Notes and/or CM Exchangeable Non-Voting Notes shall:

(A) constitute or form part of the Controlling Class;

(B) be entitled to vote in respect of such CM Removal Resolution or CM Replacement Resolution; or

(C) be counted for the purposes of determining a quorum or the result of voting in respect of such CM Removal Resolution or CM Replacement Resolution; and

(ii) in relation to a vote on such matters, those Notes (if any) which are for the time being held by or on behalf of the Collateral Manager and/or any of its Affiliates (as applicable) shall (unless and until ceasing to be so held) be deemed not to remain Outstanding.

"**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 (such as the Collateral Manager), and any "affiliate" of any such person. An "affiliate" for 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).

"**Corporate Rescue 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) is an obligation of a debtor in possession as described in § 1107 of the United States Bankruptcy Code or a trustee (if appointment of such trustee has been ordered pursuant to § 1104 of the United States Bankruptcy Code) (a "**Debtor**") organised under the laws of the United States or any State therein, the terms of which have been approved by an order of the United States Bankruptcy Court, the United States District Court, or any other court of competent jurisdiction, the enforceability of which order is not subject to any pending contested matter or proceeding (as such terms are defined in the Federal Rules of Bankruptcy Procedure) and which order provides that:

(i) such Corporate Rescue Loan is secured by liens on the Debtor's otherwise unencumbered assets pursuant to § 364(c)(2) of the United States Bankruptcy Code;

(ii) such Corporate Rescue Loan is secured by liens of equal or senior priority on property of the Debtor's estate that is otherwise subject to a lien pursuant to § 364(d) of the United States Bankruptcy Code;

(iii) such Corporate Rescue Loan is secured by junior liens on the Debtor's unencumbered assets and such Corporate Rescue Loan is fully secured based upon a current valuation or appraisal report; or

(iv) if the Corporate Rescue Loan or any portion thereof is unsecured, the repayment of such Corporate Rescue Loan retains priority over all other administrative expenses pursuant to § 364(c)(1) of the United States Bankruptcy Code; or

(b) is a credit facility or other advance made available to a company or group in a restructuring or insolvency process which constitutes the most senior secured obligations of the entity which is the borrower thereof and either:

(i) 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. bonds) of the borrower and its subsidiaries in priority to all such other senior secured indebtedness; or

(ii) 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.

"**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 (other than cash) is to be deposited or (as the case may be) each interest bearing account of the Issuer with the Account Bank into which all Counterparty Downgrade Collateral (in the form of cash) is to be deposited, in each case 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 to be held within the United Kingdom and in any event outside Ireland.

"**Coverage Test**" means each of the Class A Par Value Test, the Class A Interest Coverage Test, Class B Par Value Test, the Class B Interest Coverage Test, the Class C Par Value Test, the Class C Interest Coverage Test, the Class D Par Value Test and the Class D Interest Coverage Test.

"**Cov-Lite Loan**" means a Collateral Obligation, as determined by the Collateral Manager in its reasonable commercial judgement, that is an interest in a loan, the Underlying Instruments for which do not:

(a) contain any financial covenants; or

(b) require the Obligors thereunder to comply with any Maintenance Covenant (regardless of whether compliance with one or more incurrence covenants is otherwise required by such Underlying Instruments);

provided that for all purposes (other than for determination of S&P Recovery Rate):

(A) if such Collateral Obligation either contains a cross-default provision to, or is *pari passu* with, another loan where the relevant Obligors are part of the borrowing group thereunder that requires compliance with one or more Maintenance Covenants, such Collateral Obligation will be deemed not to be a Cov-Lite Loan; and

(B) for the avoidance of doubt, if the Underlying Instrument provides for covenants pursuant to paragraph (a) and/or (b) above but such covenants only take effect after a specified period of no more than six months following the drawdown date of the relevant loan, then such loan shall not be considered a Cov-Lite Loan.

"**Cov-Lite Obligation**" means a Collateral Obligation, as determined by the Collateral Manager in its reasonable commercial judgement, the Underlying Instruments for which do not (i) contain any financial covenants or (ii) require the Obligor thereunder to comply with any maintenance covenant (regardless of

whether compliance with one or more incurrence covenants is otherwise required by such Underlying Instruments).

"**CRA Regulation**" means Regulation EC 1060/2009 (as amended) on credit rating agencies.

"**CRA3**" means Regulation EC 462/2013 (as amended) amending the CRA Regulation.

"**Credit Improved Obligation**" means any Collateral Obligation which, in the Collateral Manager's reasonable commercial 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; *provided that* following the expiry of the Reinvestment Period or during a Restricted Trading Period, a Collateral Obligation will qualify as a Credit Improved Obligation only if:

(a) the Credit Improved Obligation Criteria are satisfied with respect to such Collateral Obligation; or

(b) 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 satisfied in respect of a Collateral Obligation if any of the following apply to such Collateral Obligation, as determined by the Collateral Manager using reasonable commercial judgement (which judgement will not be called into question as a result of subsequent events):

(a) if such Collateral Obligation is a loan obligation or floating rate note, the price of such loan obligation or floating rate note 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 Collateral 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 (as determined by the Collateral Manager) of the applicable Eligible Loan Index or Eligible Bond Index (as applicable) selected by the Collateral Manager over the same period;

(b) if such Collateral Obligation is a Fixed Rate Collateral Obligation which is a bond or security, the price of such obligation has changed since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by a percentage either at least 1.0 per cent. more positive or at least 1.0 per cent. less negative than the percentage change in the Eligible Bond Index (as determined by the Collateral Manager) over the same period;

(c) if such Collateral Obligation is a loan obligation or floating rate note, 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 by (1) 0.25 per cent. or more (in the case of a loan obligation or floating rate note with a spread (prior to such decrease) less than or equal to 2.00 per cent.), (2) 0.375 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) greater than 2.00 per cent. but less than or equal to 4.00 per cent.) or (3) 0.50 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) greater than 4.00 per cent.) due, in each case, to an improvement in the Obligor's financial ratios or financial results;

(d) if the projected cash flow interest coverage ratio for the following year (earnings before interest and taxes divided by cash interest expense as disclosed by the Obligor or arranging bank for the relevant credit facility, or calculated by a third party in published research reports, or as estimated by the Collateral Manager in a commercially reasonable manner) of the Obligor of such Collateral Obligation 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 improvement in its 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 revenue and/or EBIDTA;

(f) such Collateral Obligation has been upgraded or put on a watch list for possible upgrade by either of the Rating Agencies since the date on which such Collateral Obligation was acquired by the Issuer; or

(g) if such Collateral Obligation is a loan or a bond, the proceeds which would be received with respect to its disposition (excluding such proceeds that constitute Interest Proceeds) of such loan or bond would be at least 101.00 per cent. of its purchase price.

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

(a) if such Collateral Obligation is a loan obligation or floating rate note, the price of such Collateral Obligation has changed during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage which is:

(i) in the case of Secured Senior Obligations, either at least 0.25 per cent. more negative or at least 0.25 per cent. less positive; and

(ii) in the case of Unsecured Senior Loans, Second Lien Loans or Mezzanine Obligations, either at least 0.50 per cent. more negative or at least 0.50 per cent. less positive,

in each case, than the percentage change in the average price (as determined by the Collateral Manager) of an Eligible Loan Index selected by the Collateral Manager over the same period;

(b) such Collateral Obligation has been downgraded or put on a watch list for possible downgrade or on negative outlook by either of the Rating Agencies since the date on which such Collateral Obligation was acquired by the Issuer;

(c) if such Collateral Obligation is a Fixed Rate Collateral Obligation which is a bond or security, the price of such Collateral Obligation has changed since the date of purchase by a percentage either at least 1.00 per cent. more negative or at least 1.00 per cent. less positive, as the case may be, than the percentage change in the Eligible Bond Index (as determined by the Collateral Manager) over the same period;

(d) if such Collateral Obligation is a loan obligation or floating rate note, 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 by (1) 0.25 per cent. or more (in the case of a loan obligation or floating rate note with a spread (prior to such increase) less than or equal to 2.00 per cent.), (2) 0.375 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) greater than 2.00 per cent. but less than or equal to 4.00 per cent.) or (3) 0.50 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) greater than 4.00 per cent.) due, in each case, to a deterioration in the Obligor's financial ratios or financial results; or

(e) if the projected cash flow interest coverage ratio for the following year (earnings before interest and taxes divided by cash interest expense as disclosed by the Obligor or arranging bank for the relevant credit facility, or calculated by a third party in published research reports) of the Obligor of such Collateral Obligation is less than 1.00 or is expected to be less than 0.85 times the current year's projected cash flow interest coverage ratio.

"**Credit Risk Obligation**" means any Collateral Obligation that, in the Collateral Manager's reasonable commercial 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 following the expiry of the Reinvestment Period or during a Restricted Trading Period, a Collateral Obligation will qualify as a Credit Risk Obligation for purposes of sales of Collateral Obligations only if:

(a) the Credit Risk Criteria are satisfied with respect to such Collateral Obligation; or

(b) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Obligation as a Credit Risk Obligation.

"**CRR**" means Regulation No 575/2013 of the European Parliament and of the Council (as amended from time to time and as implemented by EU member states) together with any implemented or delegated regulations,

technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.

"**CRR Retention Requirements**" means Part Five of the CRR 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.

"**Currency Account**" means the accounts held within the United Kingdom and in any event outside Ireland 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.

"**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 Corporate Rescue Loan) that would otherwise be treated as a Defaulted Obligation but as to which no payments are due and payable that are unpaid and with respect to which the 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;

(c) the Collateral Obligation has a Market Value of at least 80 per cent. of its outstanding principal amount; and

(d) 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 held within the United Kingdom and in any event outside Ireland 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 reasonable commercial judgement 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 grace periods applicable thereto or 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 both such other obligation and the Collateral Obligation are either:

(i) both full recourse and unsecured obligations; or

(ii) the other obligation ranks at least *pari passu* with the Collateral Obligation in right of payment without regard to any grace period applicable thereto, or waiver or forbearance thereof, after the passage (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) 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 the Collateral Obligation shall constitute a Defaulted Obligation under this sub-clause (c) only until, to the knowledge of the Collateral Manager, such acceleration has been rescinded;

(d) which:

(i) has a Moody's Rating of "Ca" or "C" or below; or

(ii) has an S&P Rating of "SD", "D" or "CC" or below or, in either case, had such rating immediately prior to its withdrawal by S&P;

(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:

(A) a Moody's Rating of "D" or had such Moody's Rating immediately prior to its withdrawal by Moody's; or

(B) an S&P Rating of "SD", "D" or "CC" or below or, in either case had such rating prior to its withdrawal of its S&P Rating;

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

(g) which is the subject of an Offer that the Issuer has entered into a binding commitment to accept, but such exchange has not yet settled, where such Offer:

(i) in the reasonable business judgement of the Collateral Manager (which judgement will not be called into question as a result of subsequent events which change the position from that which existed on the date of the original determination), has the purpose of assisting the relevant Obligor of the Collateral Obligation avoid default; and

(ii) the obligation or obligations to be exchanged as part of the Offer did not satisfy the Restructured Obligation Criteria upon the acceptance of the relevant Offer,

provided that, upon the settlement of the obligation or group of obligations exchanged as part of the relevant Offer, the related Collateral Obligation or group of Collateral Obligations shall no longer constitute Defaulted Obligations (provided that, any obligations received after the settlement of the relevant Offer may still constitute a Defaulted Obligation); or

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

provided that:

(A) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to sub-clauses (b) through (f) above if such Collateral Obligation (or, in the case of a Participation other than a Letter of Credit, 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 S&P 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 Corporate Rescue Loan (*provided that* (I) it does not satisfy paragraph (a) of this definition of "Defaulted Obligation" and (II) the Aggregate Principal Balance of Corporate Rescue Loans exceeding 5.0 per cent. of the Collateral Principal Amount (*provided that*, for the purposes of calculating such threshold, the Principal Balance of all Defaulted Obligations shall be their S&P Collateral Value) or, in the case of Corporate Rescue Loans of a single Obligor, the Aggregate Principal Balance of such Corporate Rescue Loans exceeding 2.0 per cent. of the Collateral Principal Amount, in each case, will be treated as Defaulted Obligations);

(C) any Collateral Obligation shall cease to be a Defaulted Obligation on the date such obligation no longer satisfies this definition of "Defaulted Obligation"; and

(D) if a Collateral Obligation constitutes a Distressed Exchange Obligation, it shall not constitute a Defaulted Obligation.

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

(a) zero; and

(b) the aggregate of all 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 Security**" 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 Obligation 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 pursuant to Conditions 7(b) (*Optional Redemption*), 7(g) (*Redemption Following Note Tax Event*) or 11 (*Enforcement*), eight Business Days prior to the applicable Redemption Date.

"**Directors**" means David Greene and Neasa Moloney or such person(s) who may be appointed as Director(s) of the Issuer from time to time.

"**Discount Obligation**" means any Collateral Obligation that is not a Swapped Non-Discount Obligation and that the Collateral Manager determines:

(a) in the case of a Floating Rate Collateral Obligation, is acquired by the Issuer for a purchase price that is lower than 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),

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 20 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; or

(b) in the case of any Fixed Rate Collateral Obligation, is acquired by the Issuer for a purchase price that is lower than 75 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 80 per cent. of its Principal Balance),

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 20 consecutive Business Days since the acquisition by the Issuer of such Collateral Obligation, equals or exceeds 85 per cent. of the Principal Balance of such Collateral Obligation,

provided further 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.

"**Distressed Exchange Obligation(s)**" means a Collateral Obligation or group of Collateral Obligations, in relation to which the Issuer has entered into a binding commitment to accept a new obligation or group of obligations in exchange thereof as part of an Offer, but where such exchange has not yet settled, and where, in the reasonable business judgement of the Collateral Manager (which judgement will not be called into question as a result of subsequent events which change the position from that which existed on the date of the original determination), the relevant Offer:

(a) has the purpose of assisting the relevant Obligor of the Collateral Obligation(s) avoid default; and

(b) will have the effect of reducing (A) the Principal Balance of the Collateral Obligation(s) or (B) the stated interest rate of the Collateral Obligation(s),

provided that:

(i) the relevant new obligation or obligations satisfy the Restructured Obligation Criteria upon the acceptance of the relevant Offer;

(ii) where the relevant accepted Offer is for a group of obligations, the determination in paragraph (b) above shall be made on a weighted average basis;

(iii) if the settlement of the obligation or group of obligations to be received pursuant to the relevant Offer fails for any reason, the relevant Collateral Obligation or group of Collateral Obligations shall no longer constitute Distressed Exchange Obligations;

(iv) if a Collateral Obligation constitutes a Defaulted Obligation (for such purpose, disregarding paragraph (D) of the definition thereof) it shall not constitute a Distressed Exchange Obligation; and

(v) upon the settlement of the obligation or group of obligations exchanged as part of the relevant Offer, the related Collateral Obligation or group of Collateral Obligations shall no longer constitute Distressed Exchange Obligations.

"**Distribution**" means any payment of principal or interest or any dividend or premium or other amount (including any proceeds of sale) or asset paid or delivered on or in respect of any Collateral Obligation, any Collateral Enhancement Obligation, any Eligible Investment or any Exchanged Equity Security, as applicable.

"**Diversity Score**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Diversity Score Table**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Dodd-Frank Act**" means the Dodd-Frank Wall Street Reform and Consumer Protection Act (as amended).

"**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).

"**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; and

(b) 30 September 2016 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 Issuer having acquired or having entered into binding commitments to acquire Collateral

Obligations the Aggregate Principal Balance of which equals or exceeds the Target Par Amount by such date, provided that, for the purposes of determining the Aggregate Principal Balance as provided above, the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its:

(a) Moody's Collateral Value; and

(b) S&P Collateral Value.

"**Effective Date Moody's Condition**" means a condition satisfied if:

(a) the Issuer 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 Non-Model CDO Monitor Test**" means the S&P CDO Monitor Test, assuming an S&P CDO Formula Election Date has been elected by the Collateral Manager, subject to the following analytical adjustments:

(a) for the purposes of the Weighted Average Floating Spread, the calculation of the Aggregate Funded Spread shall be unadjusted by any EURIBOR floors applicable to Floating Rate Collateral Obligations; and

(b) for the purposes of the Adjusted Class Break-Even Default Rate, the Collateral Principal Amount shall exclude Principal Proceeds which may be reclassified as Interest Proceeds after the Effective Date,

provided that such test shall only be satisfied if the Collateral Manager:

(i) has certified to S&P that the Effective Date Determination Requirements have been satisfied and the Effective Date Report has been published;

(ii) has certified to S&P that it has run the S&P CDO Monitor Test in accordance with paragraphs (a) and (b) above and that such test is satisfied; and

(iii) has provided S&P with an electronic copy of the Portfolio used to run the test in paragraph (ii) above and an accountants' certificate indicating that the Effective Date Determination Requirements are satisfied.

"**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;

(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 following request therefor from the Collateral Manager; or

(c) Rating Agency Confirmation from S&P not having been received following the Effective Date, unless the Effective Date Non-Model CDO Monitor Test has been elected by the Collateral Manager to be used for such purposes and such test has been satisfied,

provided that any downgrade or withdrawal of any of the Initial Ratings of the Rated Notes which is not directly related to a request for confirmation thereof or which occurs after confirmation thereof by the Rating Agencies shall not constitute an Effective Date Rating Event, notwithstanding paragraphs (a), (b) and/or (c) above applying.

"**Effective Date Report**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**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 and in the case of Issue Date Collateral Obligations, the Issue Date.

"**Eligible Bond Index**" means the Markit iBoxx EUR High Yield Index, the Credit Suisse Western European High Yield Index (or any subsequent names given to these indices) as chosen by the Collateral Manager or any other index proposed by the Collateral Manager, subject to receipt of Rating Agency Confirmation from Moody's.

"**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; and

(b) for so long any Notes rated by S&P are Outstanding:

(i) in the case of Eligible Investments with a maturity of more than 60 days:

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

(B) a short-term senior unsecured debt or issuer credit rating of "A-1+" from S&P; or

(C) such other ratings as confirmed by S&P;

(ii) in the case of Eligible Investments with a maturity of 60 days or less:

(A) a short-term senior unsecured debt or issuer credit rating of "A-1" from S&P; or

(B) such other ratings as confirmed by S&P.

"**Eligible Investment Qualifying Country**" means any of Austria, Belgium, Canada, the Channel Islands, Denmark, Finland, France, Germany, Iceland, Republic of Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom or United States and any other country which has a Moody's local currency country risk ceiling of, at the time of acquisition of the relevant Eligible Investment, at least "Baa2" or "P-2" by Moody's and the foreign currency country issuer rating of which is rated, at the time of acquisition of the relevant Eligible Investment, at least "BBB-" by S&P (provided that Rating Agency Confirmation is received in respect of any such other country which is not in the Euro zone) or any other country in respect of which, at the time of acquisition of the relevant Eligible Investment, Rating Agency Confirmation is received.

"**Eligible Investments**" means any investment denominated in Euro that is one or more of the following obligations or securities (other than obligations or securities which are zero coupon obligations or securities), including, without limitation, any Eligible Investments for which the 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 (such guarantee to comply with the current S&P criteria on guarantees), an Eligible Investment Qualifying Country or any agency or instrumentality of an Eligible Investment Qualifying Country, the obligations of which are fully and expressly guaranteed by an

Eligible Investment Qualifying Country, which, in each case, has a rating of not less than the applicable Eligible Investment Minimum Rating;

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

(c) subject to receipt of Rating Agency Confirmation related thereto, unleveraged repurchase obligations with respect to:

(i) any obligation described in paragraph (a) above; or

(ii) any other security issued or guaranteed by an agency or instrumentality of an Eligible Investment Qualifying Country, in either case entered into with a depository institution or trust company (acting as principal) described in paragraph (b) above or entered into with a corporation (acting as principal) whose debt obligations are rated not less than the applicable Eligible Investment Minimum Rating at the time of such investment (and such guarantee, if applicable, complies with the relevant S&P criteria on guarantees);

(d) securities bearing interest or sold at a discount to the face amount thereof issued by any corporation incorporated under the laws of an Eligible Investment Qualifying Country that have a credit rating of not less than the Eligible Investment Minimum Rating at the time of such investment or contractual commitment providing for such investment;

(e) commercial paper or other short-term obligations having, at the time of such investment, a credit rating of not less than the applicable Eligible 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;

(f) offshore funds investing in the money markets rated, at all times, "AAAm" by S&P and "Aaa-mf" by Moody's, or if not rated by S&P and Moody's, having an equivalent rating from a third global rating agency, provided that such fund issues shares, units or participations that may be lawfully acquired in Ireland; and

(g) any other investment similar to those described in paragraphs (a) to (f) (inclusive) above:

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

(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

(iii) that is an "eligible asset" (as defined in Rule 3a-7) or an asset which is otherwise permitted under Rule 3a-7 (so long as the Trading Requirements are applicable),

and, in each case, such instrument or investment provides for payment of a predetermined fixed amount of principal on maturity that is not subject to change, and 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;

(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 rated with an "f", "r", "(sf)", or "t" subscript assigned by S&P or such other qualifying subscript published and assigned by S&P from time to time as may be applicable, security purchased at a price in excess of 100 per cent. of par, security whose repayment is subject to substantial non credit related risk (as determined by the Collateral Manager in its discretion); provided further that (i) only assets which are (x) "qualifying assets" within the meaning of Section 110 of the TCA and which do not give rise to Irish stamp duty (except to the extent that such stamp duty is taken into account in deciding whether to acquire the assets) and (y) (so long as the Trading Requirements are applicable) "eligible assets" (as defined in Rule 3a-7) or assets which are otherwise permitted under Rule 3a-7 may constitute Eligible Investments; and (ii) a Structured Finance Security shall not qualify as an Eligible Investment.

"**Eligible Loan Index**" means the S&P European Leveraged Loan Index, the Credit Suisse Western European Leveraged Loan Index (or any subsequent names given to these indices) as chosen by the Collateral Manager or any other index proposed by the Collateral Manager, subject to receipt of Rating Agency Confirmation from Moody's.

"**EMIR**" means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (as amended from time to time and as implemented by EU member states), 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 does not include Collateral Enhancement Obligations and Equity Securities may not be purchased by the Issuer but may be received by the Issuer in exchange for a Collateral Obligation or a portion thereof in connection with an insolvency, bankruptcy, reorganisation, debt restructuring or workout of the issuer or obligor thereof.

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

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

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

(b) following the occurrence of a Frequency Switch Event, as applicable to six month Euro deposits or, in the case of the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls in January 2029, as applicable to three month Euro deposits; and

(c) with respect to the first Accrual Period, for (x) the period from the Issue Date to (but excluding) the First EURIBOR Period End Date, EURIBOR will be determined as of the related Interest Determination Date by interpolating linearly between (i) one month Euro deposits and (ii) three month Euro deposits, and (y) the remainder of such first Accrual Period, EURIBOR will be determined by reference to three month Euro deposits, *provided that* EURIBOR applicable in respect of the entire initial first Accrual Period shall be a weighted average of the rate determined pursuant to paragraphs (c)(x) and (c)(y) herein equal to:

(i) the sum of:

(A) EURIBOR in respect of the period from (and including) the Issue Date to (but excluding) the First EURIBOR Period End Date (such rate determined pursuant to paragraphs (c)(x) above) *multiplied* by the actual number of days from (and including) the Issue Date to (but excluding) the First EURIBOR Period End Date; and

(B) EURIBOR in respect of the period from (and including) the First EURIBOR Period End Date to (but excluding) the first Payment Date (such rate determined as at the first Interest Determination Date pursuant to paragraph (c)(y) above) *multiplied* by the actual number of days from (and including) the First EURIBOR Period End Date to (but excluding) the first Payment Date; *divided by*

(ii) the actual number of days from (and including) the Issue Date to (but excluding) the first Payment Date.

"**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 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.

"**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 and which is delivered to the Issuer upon acceptance of an Offer in respect of a Defaulted Obligation or received by the Issuer as a result of restructuring of the terms in effect as of the later of the Issue Date or date of issuance of the relevant Collateral Obligation.

"**Expense Reserve Account**" means an interest bearing account in the name of the Issuer so entitled and held by the Account Bank within the United Kingdom and in any event outside Ireland.

"**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, and any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code, the intergovernmental agreement between the United States and Ireland entered into on 21 December 2012 and the Irish legislation, regulations and administrative practices implementing such intergovernmental agreement and other applicable intergovernmental agreements, and related legislation or official administrative regulations or practices with respect thereto (including any amendments to any of the foregoing).

"**FATCA Compliance**" means compliance with FATCA as necessary so that no tax will be imposed or withheld under FATCA 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 EURIBOR Period End Date**" means 15 July 2016.

"**First Lien Last Out Loan**" means a Collateral Obligation that is an interest in a loan, the Underlying Instruments for which:

(a) may by its terms become subordinate in right of payment to any other obligation of the Obligor of such loan solely upon the occurrence of a default or event of default by the Obligor of such loan; and

(b) is secured by a valid perfected first priority security interest or lien in, to or on specified collateral securing the Obligor's obligations under the loan,

provided that a First Lien Last Out Loan shall be treated in all cases as a Second Lien Loan.

"**First Period Reserve Account**" means the interest bearing account described as such in the name of the Issuer with the Account Bank held within the United Kingdom and in any event outside Ireland.

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

"**Floating Rate Collateral Obligation**" means any Collateral Obligation that bears a floating rate of interest.

"**Floating Rate Notes**" means the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, Class D Notes and the Class E Notes.

"**Floating Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

"**Form Approved Hedge**" means either:

(a) an Interest Rate Hedge Transaction the documentation for and structure of which conforms to a form for which Rating Agency Confirmation has been received by the Issuer or which has previously been approved by the Rating Agencies 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 and (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

(b) a Currency Hedge Transaction the documentation for and structure of which conforms to a form for which Rating Agency Confirmation has been received by the Issuer or which has previously been approved by the Rating Agencies 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).

"**Frequency Switch Event**" means the occurrence of a Determination Date on which either (i) the Collateral Manager declares in its sole discretion that a Frequency Switch Event has occurred and the condition set out in (c) below has been met or (ii) for so long as any of the Class A Notes remain Outstanding:

(a) the Aggregate Principal Balance of all Frequency Switch Obligations (excluding Defaulted Obligations) in respect of such Determination Date is equal to or greater than 20 per cent. of the Collateral Principal Amount (excluding Defaulted Obligations);

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

(i) 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, but excluding any scheduled interest payments in respect of Defaulted Obligations as to which the Collateral Manager has actual knowledge that such payment will not be made) 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), by

(ii) all amounts scheduled to be payable in respect of paragraphs (A) to (I) of the Interest Priority of Payments 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 and principal 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 (excluding Defaulted Obligations) (which, in the case of each Non-Euro Obligation, to the extent that a related Currency Hedge Agreement is in place, shall be converted into Euro at the applicable Currency Hedge Transaction Exchange Rate for the related Currency Hedge Transaction and, to the extent that no related Currency Hedge Agreement is in place, shall be converted into Euro at the Spot Rate),

is equal to or greater than the amount determined pursuant to paragraph (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:

(A) in respect of each Floating Rate Collateral Obligation, projected interest payable on such Floating Rate 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;

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

(C) EURIBOR for the purposes of calculating Interest Amounts in respect of the Class A-1 Notes and the Class A-2 Notes, at all times following such Determination Date shall be equal to EURIBOR as 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.

"**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.

"**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 interest bearing account of the Issuer with the Account Bank, held within the United Kingdom and in any event outside Ireland, 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) receipt by the Collateral Manager of legal advice from reputable legal counsel to the effect that the entry into such arrangements should not require any of the Issuer, its Directors or officers or the Collateral Manager or its directors, officers or employees to register with the United States Commodity Futures Trading Commission as a commodity pool operator or a commodity trading advisor pursuant to the United States Commodity Exchange Act of 1936, as amended and (b) unless and until the Issuer or the Collateral Manager (on behalf of the Issuer) elects (by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*)) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7 following receipt by the Issuer or the Collateral Manager (on behalf of the Issuer) of a legal opinion (which shall be addressed to the Trustee) from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule and, for so long as any of the Class A-1 Notes remain Outstanding, the holders of the Class A-1 Notes, acting by way of an Ordinary Resolution, have consented thereto, the Issuer obtains legal advice (to which the Trustee shall be an addressee) from reputable international legal counsel knowledgeable in such matters to the effect that the acquisition of or entry into such Hedge Agreement will not cause the Issuer to be unable to rely on the exclusion under Rule 3a-7.

"**High Yield Bond**" means a Collateral Obligation that is a debt security which, on acquisition by the Issuer, is a high yielding debt security as determined by the Collateral Manager, excluding any debt security which is secured directly on, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar security.

"**Highest Ranking S&P Class**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Incentive Collateral Management Fee**" means the fee payable to the Collateral Manager which shall accrue from the Issue Date in arrear on each Payment Date in respect of the immediately preceding Due Period pursuant to the Collateral Management and Administration Agreement equal to 0.10 per cent. per annum (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the 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, and which will be payable to the Collateral Manager on the first Payment Date and each subsequent Payment Date on which the Incentive Collateral Management Fee IRR Threshold has been met or

surpassed, such Incentive Collateral Management Fee being payable from 30 per cent. of any Interest Proceeds and Principal Proceeds 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 (X) of the Post-Acceleration Priority of Payments and Condition 3(k)(vi) (*Supplemental Reserve Account*).

"**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 Initial Offer Price Percentage of the principal amount thereof) of at least 12 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 be included for the purposes of calculating the Incentive Collateral Management Fee IRR Threshold at their own issue price and not the Subordinated Notes Initial Offer Price Percentage.

"**Independent Client Representative**" means:

(a) any one of the following entities appointed by the Issuer and the Collateral Manager to perform the services described under "*Description of the Collateral Management and Administration Agreement – The Independent Client Representative,*" together with its permitted successors and assigns: American Appraisal Associates, Chanin Capital Partners LLC, CIBC World Markets, Credit Suisse, Deloitte, Duff & Phelps, LLC, FTI Consulting, Inc., Houlihan Lokey Howard & Zukin, JRW Financial LLC, U.S. Bancorp Libra Investments, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley Dean Witter & Co., Murray Devine & Company, PricewaterhouseCoopers LLP, ProFinance Associates, Inc., Citigroup, Jefferies & Co., Valuation Research Corporation or the Issuer's board of directors;

(b) any successor entity proposed by the Collateral Manager and included in the list in paragraph (a) above; or

(c) any other person approved by the Noteholders of no less than 50 per cent. of the Principal Amount Outstanding of the Subordinated Notes.

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

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

"**Initial Purchaser**" means Deutsche Bank AG, 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 interest bearing account described as such in the name of the Issuer with the Account Bank, held within the United Kingdom and in any event outside Ireland, 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) due but not yet received (in each case regardless of whether the applicable due date has yet occurred) in the Due Period in which

such Measurement Date occurs on the Collateral Obligations (which, in the case of each Non-Euro Obligation, 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) excluding:

(i) accrued and unpaid interest on Defaulted Obligations or Deferring Securities (excluding all Current Pay Obligations, irrespective of the limitation in the Portfolio Profile Tests);

(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, except to the extent such amounts are compensated for by a gross-up payment;

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

(vi) any Purchased Accrued Interest;

(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 Measurement 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 Measurement Date (without double counting any such amounts which have been already transferred to the Interest Account);

(f) plus any Scheduled Periodic Hedge Counterparty Payments payable to the Issuer under any Interest Rate Hedge Transaction 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 paragraph (b) above; and

(g) minus any interest in respect of a PIK Security that has been deferred (but only to the extent such amount has not already been excluded in accordance with paragraphs (b)(ii) or (iii) above).

For the purposes of calculating any Interest Coverage Amount, the expected or scheduled interest income on Floating Rate Collateral 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 Interest Coverage Ratio, the Class B Interest Coverage Ratio, the Class C Interest Coverage Ratio and the Class D 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.

"**Interest Coverage Test**" means the Class A Interest Coverage Test, the Class B Interest Coverage Test, the Class C Interest Coverage Test and the Class D 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 and the Floating Rate Notes, the Calculation Agent will determine:

(a) in relation to the period from the Issue Date to (but excluding) the First EURIBOR Period End Date, a straight line interpolation of the offered rate for one and three 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; and

(b) in relation to the remainder of such first Accrual Period (from and including the First EURIBOR Period End Date to, but excluding, the first Payment Date), the offered rate for three month Euro deposits.

"**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 Condition 3(j) (*Accounts*).

"**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 (taking into account any guarantor thereof) or in respect of which Rating Agency Confirmation has been obtained on such date.

"**Interest Rate Hedge Issuer Termination Payment**" means any amount payable by the Issuer to an Interest Rate Hedge Counterparty upon termination 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, held within the United Kingdom and in any event outside Ireland, to which the Issuer will procure amounts are deposited in accordance with Condition 3(k)(xiii) (*Interest Smoothing Account*).

"**Interest Smoothing Amount**" means, in respect of each Determination Date on or following the occurrence of a Frequency Switch Event, zero and, in respect of each other Determination Date and for so long as any Rated Notes are Outstanding, an amount equal to the product of:

(a) 0.5; multiplied by

(b) an amount equal to:

(i) the sum of all payments of interest received during the related Due Period in respect of each Semi-Annual Obligation; *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:

(A) such amount may not be less than zero; and

(B) 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 (for the purposes of determining the Collateral Principal Amount, the Principal Balance of all Defaulted Obligations shall be their S&P Collateral Value), such amount shall be deemed to be zero.

"**Intermediary Obligation**" means an interest in relation to a loan which is structured to be acquired indirectly by lenders therein at or prior to primary syndication thereof, including pursuant to a collateralised deposit or guarantee, a 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.

"**Irish Companies Act 2014**" means the Companies Act 2014 of Ireland, as amended.

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

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

"**Issue Date**" means 26 May 2016 (or such other date as may shortly follow such date as may be agreed between the Issuer, the Initial Purchaser and the Collateral Manager and is notified to the Trustee, the Collateral Administrator and the Noteholders in accordance with Condition 16 (*Notices*) and the requirements of the Irish Stock Exchange).

"**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 such commitments to purchase such obligations from BGCF pursuant to the BGCF Participation Deed.

"**Issue Date BGCF Assets**" means the underlying obligations which are the subject of the BGCF Participation Deed between the Issuer and BGCF entered into on or prior to the Issue Date.

"**Issuer Irish Account**" means the account in the name of the Issuer established for the purposes of, *inter alia*, holding the proceeds of the issued share capital of the Issuer and any fees received by the Issuer in connection with the issue of the Notes.

"**Issuer Profit Amount**" means the payment on each Payment Date prior to the occurrence of a Frequency Switch Event, of EUR250 and, on each Payment Date following the occurrence of a Frequency Switch Event, of EUR500, subject always to an aggregate maximum amount of EUR1,000 per annum, to the Issuer as a fee for entering into the transaction.

"**Letter of Credit**" means a contract 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.

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

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

"**Maintenance Covenant**" means a covenant to comply with one or more financial covenants during each reporting period (but not more frequently than quarterly), whether or not any specified action has been taken by the parties subject to such covenant; *provided that* a covenant that otherwise satisfies the definition hereof and only applies when amounts are outstanding under the related loan shall be a Maintenance Covenant.

"**Mandatory Redemption**" means a redemption of the Notes pursuant to and in accordance with Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests or the Post-Reinvestment Period Par Value Test*).

"**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 paragraph (e)(ii) below 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) 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:

(A) for the purposes of this definition, "**independent**" shall mean:

(I) 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

(II) each pricing service and broker dealer is not an Affiliate of the Collateral Manager; and

(B) if the Collateral Manager is not subject to Directive 2004/39/EC (as amended) of the European Parliament and of the Council of 21 April 2004 (or other comparable regulation), where the Market Value is determined by the Collateral Manager in accordance with the above provisions, 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 in connection with an insolvency, bankruptcy, reorganisation, debt restructuring or workout of the Obligor thereof) 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 16 April 2029 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) for the purposes of determining whether a Retention Deficiency has occurred, any Business Day on which such a determination is required;

(d) the date of acquisition of any additional Collateral Obligation following the Effective Date;

(e) each Determination Date;

(f) the date as at which any Report is prepared; and

(g) following the Effective Date, with reasonable (and not less than five Business Days') notice, any Business Day requested by any Rating Agency then rating any Class of Notes Outstanding.

"**Mezzanine Obligation**" means a mezzanine loan obligation or other comparable debt obligation, including any such loan obligation with attached warrants and any such obligation which is evidenced by an issue of notes (other than High Yield Bonds), as determined by the Collateral Manager in its reasonable business judgement, or a Participation therein.

"**Minimum Denomination**" means:

(a) in the case of the Regulation S Notes of each Class, €100,000;

(b) in the case of the Rule 144A Notes of each Class, €250,000.

"**Minimum Weighted Average Floating Spread**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Minimum Weighted Average Floating Spread Test**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**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 of the Collateral pursuant to the Collateral Management and Administration Agreement made available alongside portfolio data in CSV format, amongst others, via a secured website currently located at https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Arranger, the Trustee, the Collateral Manager, the Hedge Counterparties, Intex Solutions, Inc. (or any other similar service providers as determined by the Collateral Manager in its reasonable judgement), Bloomberg, the Rating Agencies and the Noteholders from time to time) which shall be accessible to the Issuer, the Arranger, the Trustee, the Collateral Manager, the Hedge Counterparties, Intex Solutions, Inc. (or any other similar service providers as determined by the Collateral Manager in its reasonable judgement), Bloomberg and the Rating Agencies and, to any Noteholder by way of a unique password which in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes.

"**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, 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,

provided that if the Market Value cannot be reasonably determined, the Moody's Collateral Value shall be deemed to be for this purpose the relevant Moody's Recovery Rate multiplied by its Principal Balance.

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

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

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

"**Moody's Minimum Weighted Average Recovery Rate Test**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Moody's Maximum Weighted Average Rating Factor Test**" has the meaning given to it in the Collateral Management and Administration Agreement.

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

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

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

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

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

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

"**Moody's Weighted Average Recovery Adjustment**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Moody's Weighted Average Spread Adjustment**" 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 April 2018.

"**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-Emerging Market Country**" means any of Australia, Austria, Belgium, Canada, the Channel Islands, Croatia, Czech Republic, Denmark, Finland, France, Germany, Iceland, Republic of Ireland, the Isle of Man, Italy, Japan, Liechtenstein, Luxembourg, The Netherlands, New Zealand, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom, the United States, any other country that is a member of or accedes to the European Union and any other country, the foreign currency issuer credit rating of which is rated or which has a Moody's local currency country risk ceiling of, 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 S&P (provided that Rating Agency Confirmation is received in respect of any such other country which is not in the Euro Zone) or any other country in respect of which, at the time of acquisition of the relevant Collateral Obligation, Rating Agency Confirmation is received.

"**Non-Euro Obligation**" means any Collateral Obligation which is denominated in United States dollars, pounds sterling or any other lawful currency of a Non-Emerging Market Country 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-1 Notes (on a *pro rata* basis) at the applicable Redemption Price in whole or in part until the Class A-1 Notes have been fully redeemed;

(b) *secondly*, to the redemption of the Class A-2 Notes (on a *pro rata* basis) at the applicable Redemption Price in whole or in part until the Class A-2 Notes have been fully redeemed;

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

(d) *fourthly*, 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;

(e) *fifthly*, 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; and

(f) *sixthly*, 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,

provided that, for the purposes of any redemption of the Notes in accordance with the Note Payment Sequence following breach of any Coverage Test, the Note Payment Sequence shall terminate immediately after the paragraph above that refers to the Class of Notes to which such Coverage Test relates.

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

(a) the introduction of a new, or any change in, any home jurisdiction or foreign tax statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation (whether proposed, temporary or final) which results in (or would on the next Payment Date result in) any payment of principal or interest on the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E 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 Ireland, the United States or other applicable taxing authority; or

(b) net income, profits or similar tax is payable by the Issuer (other than Irish corporation tax in relation to the Issuer Profit Amount) or the Issuer is subject to tax by direct assessment in relation to particular Collateral Obligations on account of the situs of those obligations or the source of payments thereunder.

"**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, substitution or other method);

(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.

"**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.

"**Originator Requirement** " means the requirement which will be satisfied if:

(a) the sum of the Aggregate Principal Balance of Collateral Obligations and the Balance of Eligible Investments acquired with Balances standing to the credit of the Unused Proceeds Account and/or the Principal Account, in each case which were acquired by the Issuer from BGCF; *divided by*

(b) the sum of:

(i) the Aggregate Principal Balance; and

(ii) the Balances of Eligible Investments acquired with Balances standing to the credit of the Unused Proceeds Account and/or the Principal Account,

is greater than 50 per cent., (as determined by the Collateral Manager and by the Collateral Administrator) where for the purposes of determining:

(A) paragraph (a) above, amounts standing to the credit of the Principal Account representing Principal Proceeds in respect of Collateral Obligations or Eligible Investments which were acquired by the Issuer from BGCF shall be deemed to form part of, and remain outstanding on, the relevant Collateral Obligation or Eligible Investment, as applicable (notwithstanding that the relevant Collateral Obligation or Eligible Investment may no longer form part of the Portfolio), provided however that, during the Reinvestment Period, in order to satisfy the Originator Requirement, the Collateral Manager will ensure that any such Principal Proceeds are reinvested in Collateral Obligations and/or Eligible Investments acquired from BGCF until such time as the calculation above is satisfied, and

(B) paragraphs (a) and (b) above, Eligible Investments which have been designated for application towards the acquisition of Collateral Obligations in respect of which the Issuer or the Collateral Manager on its behalf has entered into a binding commitment to purchase but which has not yet settled shall be disregarded,

provided however that if, following the Issue Date, the Collateral Manager reasonably determines (based on guidance provided by the EBA and a legal opinion from legal counsel of reputable standing):

(I) that Eligible Investments may be excluded for the purposes of the calculation in Article 3(4)(b) of the European Commission Delegated Regulation (EU) No 625/2014 of 13 March 2014 supplementing the CRR and notifies the Issuer, the Trustee, the Collateral Administrator and the Initial Purchaser (for the avoidance of doubt, none of whose consent is required to be obtained) in writing of such determination, then the Originator Requirement shall (without the consent of any Person) be amended by (X) removal of the reference to Eligible Investments in paragraphs (a) and (A) above and (Y) paragraph (b) above referring to the Aggregate Principal Balance of Collateral Obligations, in each case calculated on the basis of paragraph (A) above; and/or

(II) that the calculation in Article 3(4)(b) of the European Commission Delegated Regulation (EU) No 625/2014 of 13 March 2014 supplementing the CRR is only applicable on the date on which a programme or securitisation scheme is established and not on an ongoing basis through the life of the programme or securitisation scheme and notifies the Issuer, the Trustee, the Collateral Administrator and the Initial Purchaser (for the avoidance of doubt, none of whose consent is required to be obtained) in writing of such determination, then the Originator Requirement shall (without the consent of any Person) be amended (X) by the removal of the requirement on the Collateral Manager in paragraph (A) above to ensure that any Principal Proceeds are reinvested in Collateral Obligations and/or Eligible Investments acquired from BGCF until such time as the calculation above is satisfied and (Y) so it is not applicable and does not need to be satisfied at any time other than on the Issue Date.

"**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 Par Value Ratio, Class B Par Value Ratio, Class C Par Value Ratio or the Class D Par Value Ratio (as applicable).

"**Par Value Test**" means the Class A Par Value Test, Class B Par Value Test, Class C Par Value Test or the Class D Par Value Test (as applicable).

"**Participation**" means an interest in a Collateral Obligation acquired indirectly by the Issuer by way of participation from a Selling Institution which shall include, for the purposes of the Bivariate Risk Table set forth in the Collateral Management and Administration Agreement, Intermediary Obligations.

"**Participation Agreement**" means an agreement between the Issuer and a Selling Institution or, in the case of the BGCF Participation Deed, BGCF, in relation to the purchase by the Issuer of a Participation which, for the avoidance of doubt, includes the BGCF Participation Deed.

"**Paying Agent**" has the meaning given to it in the Agency and Account Bank Agreement.

"**Payment Account**" means the account described as such in the name of the Issuer held with the Account Bank, held within the United Kingdom and in any event outside Ireland, 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 April, 15 July, 15 October and 15 January at any time prior to the occurrence of a Frequency Switch Event; and

(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 April and 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 case, in each year commencing in October 2016 up to and including the Maturity Date (which shall fall on 16 April 2029 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) 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). For the avoidance of doubt, 15 April 2029 will not be a Payment Date.

"**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 on the Business Day preceding the related Payment Date and made available alongside portfolio data in CSV format, amongst others, via a secured website currently located at https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Arranger, the Trustee, the Hedge Counterparties, Intex Solutions, Inc. (or any other similar service providers as determined by the Collateral Manager in its reasonable judgement), Bloomberg, the Rating Agencies and the Noteholders from time to time) which shall be accessible to the Issuer, the Arranger, the Trustee, the Collateral Manager, the Hedge Counterparties, Intex Solutions, Inc. (or any other similar service providers as determined by the Collateral Manager in its reasonable judgement), Bloomberg and the Rating Agencies and to any Noteholder by way of a unique password which in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes.

"**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 Security**" means any Collateral Obligation which is a security, the terms of which permit the deferral of the payment of interest thereon, including without limitation by way of interest capitalising on such security as principal thereon, provided that, for the avoidance of doubt, Mezzanine Obligations shall not constitute PIK Securities.

"**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 Company**" means any company in which the Collateral Manager or an Affiliate thereof owns more than 50 per cent. of the share capital.

"**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*).

"**Post-Reinvestment Period Par Value Test**" means the test which will apply as of any applicable Measurement Date after the expiry of the Reinvestment Period and which will be satisfied on such Measurement Date if the Class D Par Value Ratio is at least equal to 108.88 per cent.

"**pounds sterling**" shall mean the lawful currency of the United Kingdom.

"**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 Account Bank to be held within the United Kingdom and in any event outside Ireland.

"**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 B Notes, the Class C Notes, the Class D Notes and the Class E 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 B Notes, Class C Notes, Class D Notes and Class E 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 Obligation and a PIK Security, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Security with Principal Proceeds), *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 and Collateral Enhancement Obligation 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 the 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 the reference Non-Euro Obligation, converted into Euro at the Spot Rate;

(d) the Principal Balance of any Collateral Obligation which constitutes a Distressed Exchange Obligation shall be the outstanding principal amount of the new obligation accepted as part of the related Offer (as adjusted by paragraphs (a), (c) and/or (f) of this definition, if applicable);

(e) the Principal Balance of any cash shall be the amount of such cash;

(f) if in respect of any Corporate Rescue Loan either:

(i) so long as S&P is rating any Notes, where either:

(A) no S&P Issuer Credit Rating is available; or

(B) no credit estimate has been assigned to it by S&P,

in each case, within 90 days following the Issuer entering into a binding commitment to acquire such Corporate Rescue Loan, the Principal Balance of such Corporate Rescue Loan shall be its zero unless and until an S&P Issuer Credit Rating or credit estimate is available or assigned by S&P; or

(ii) so long as Moody's is rating any Notes, where either:

(A) no Moody's Rating or CFR is available; or

(B) no credit estimate has been assigned to it by Moody's,

in each case, within 90 days following the Issuer entering into a binding commitment to acquire such Corporate Rescue Loan, then the Principal Balance of such Corporate Rescue Loan shall be its Moody's Collateral Value unless and until a Moody's Rating or credit estimate is available or assigned by Moody's,

provided that if both paragraphs (i) and (ii) apply then the Principal Balance of such Corporate Rescue Loan shall be zero;

(g) for the purposes of the Portfolio Profile Tests and the Collateral Quality Tests (other than the S&P CDO Monitor Test), the Principal Balance of Defaulted Obligations shall be excluded and

(h) so long as S&P is rating any Notes, in respect of a Collateral Obligation: (i) the S&P Rating of which has been determined pursuant to paragraph (e)(ii) of the definition of S&P Rating for a consecutive period of ninety calendar days during which S&P has not provided a credit estimate in respect of such Collateral Obligation; and (ii) that has not had a public rating by S&P withdrawn or suspended within six months prior to the date of application for a credit estimate in respect of such Collateral Obligation, following the earlier of (x) S&P notifying the Collateral Manager that no credit estimate will be provided for such Collateral Obligation after the expiry of the ninety calendar day period during which S&P has not provided a credit estimate and (y) the expiry of a period of six months during which the S&P Rating of such Collateral Obligation has been continuously determined in accordance with paragraph (e)(ii) of the S&P Rating definition without a credit estimate having been assigned to it during such period, the Principal Balance of such Collateral Obligation shall be zero, unless S&P has agreed to extend such period, and until an S&P Rating can be determined in respect of such Collateral Obligation pursuant to paragraphs (a), (b) or (e)(i) of the definition of S&P Rating, a credit estimate being assigned by S&P in respect of such Collateral Obligation or such other treatment being applied to such Collateral Obligation as may be advised by S&P.

"**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 a redemption in whole pursuant to Condition 7(g) (*Redemption Following Note Tax Event*); or

(iii) 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 Default*),

in the case of Interest Proceeds, the Interest Priority of Payments and in the case of Principal Proceeds, the Principal Priority of Payments; and

(b) in the event of any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption Following Note Tax Event*) or following 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 Default*), the Post-Acceleration Priority of Payments.

"**Priority Class**" means, with respect to any specific Class of Notes, each Class of Notes that ranks senior to such Class, as set out in Condition 3(c) (*Priorities 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.

"**Proposed Portfolio**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**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 Obligation and PIK Security, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation or PIK Security 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.

"**Rated Notes**" means the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

"**Rating Agencies**" means S&P and Moody's, provided that if at any time S&P and/or Moody's ceases to provide rating services, "Rating Agencies" shall mean any other nationally recognised investment rating agency or rating agencies (as applicable) selected by the Issuer (a "**Replacement Rating Agency**") and "**Rating Agency**" means any such rating agency. 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, (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 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 "A-1" by S&P, or if it does not have such short-term rating, a long-term rating of at least "A+" by S&P; and

(ii) a long-term senior unsecured issuer credit rating of at least "A3" by Moody's; and;

(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 credit rating of at least "A-1" by S&P, or if it does not have such short-term rating, a long-term rating of at least "A+" by S&P; and

(ii) a long-term senior unsecured issuer credit rating of at least "A3" by Moody's;

(c) in the case of any Hedge Counterparty, the ratings requirement(s) as set out in the relevant Hedge Agreement; and

(d) in the case of a Selling Institution with regards to a Participation only, a counterparty which satisfies the ratings set out in the Bivariate Risk Table; or

in each case:

(A) 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

(B) 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.

"**Recovery Rate Case**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**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) (*Optional 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 (DD) of the Interest Priority of Payments, paragraph (V) of the Principal Priority of Payments and paragraph (Y) 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 Class A-1 Note, Class A-2 Note, Class B Note, Class C Note, Class D Note or Class E 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 B Notes, Class C Notes, the Class D Notes and the Class E 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 paragraph (2) of Condition 6(e)(i) (*Floating Rate of Interest*).

"**Refinancing**" has the meaning given to it in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

"**Refinancing Costs**" means the fees, costs, charges and expenses (including any value added tax thereon) incurred by or on behalf of the Issuer in respect of a Refinancing, provided that such fees, costs, charges and expenses have been incurred as a direct result of a Refinancing, as determined by the 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 (as amended).

"**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 (*Reinvestment Criteria*) of the Collateral Management and Administration Agreement.

"**Reinvestment Par Value Test**" means the test which will apply as of any applicable Measurement Date on and after the Effective Date and during the Reinvestment Period which will be satisfied on such Measurement Date if the Class D Par Value Ratio is at least equal to 108.88 per cent.

"**Reinvestment Period**" means the period from and including the Issue Date up to and including the earlier of:

(a) 15 April 2020 or, if such day is not a Business Day, then the next succeeding Business Day, unless it would fall in the following month, in which case it shall be the immediately preceding Business Day;

(b) the date of the acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*) (provided that such Acceleration Notice has not been rescinded or annulled in accordance with Condition 10(c) (*Curing 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 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; *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.

"**Resolution**" means any Ordinary Resolution or Extraordinary Resolution, as the context may require.

"**Restricted Trading Period**" means the period during which:

(a) the S&P Rating or the Moody's Rating of the Class A-1 Notes is withdrawn (and not reinstated) or is one or more sub-categories below its rating on the Issue Date, provided the Class A-1 Notes are Outstanding;

(b) both:

(i) the S&P Rating or the Moody's Rating of either the Class A-2 Notes, the Class B Notes, the Class C Notes or the Class D Notes is withdrawn (and not reinstated) or is two or more sub-categories below its rating on the Issue Date, and

(ii) the sum of:

(A) the Aggregate Principal Balance of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, any related reinvestment and any anticipated cash proceeds); and

(B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments (save for interest accrued on Eligible Investments) acquired with funds in the Principal Account or Unused Proceeds Account) is less than the Reinvestment Target Par Balance; or

(c) the S&P Rating or the Moody's Rating of the Class E Notes is withdrawn (and not reinstated) or is four or more sub-categories below its rating on the Issue Date,

provided in each case that:

(A) such period will not be a Restricted Trading Period upon the direction of the Issuer with the consent of the Controlling Class acting by Ordinary Resolution; and

(B) no Restricted Trading Period shall restrict any sale or any purchase 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 sale or purchase has settled.

"**Restructured Obligation**" means a Collateral Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) and which satisfies the Restructured Obligation Criteria as at its applicable Restructuring Date.

"**Restructured Obligation Criteria**" means the restructured obligation criteria specified in the Collateral Management and Administration Agreement which are required to be satisfied in respect of each Restructured Obligation at the applicable Restructuring Date.

"**Restructuring Date**" means the date a restructuring of a Collateral Obligation becomes binding on the holders thereof provided if an obligation satisfies the Restructured Obligation Criteria at a later date, such later date shall be deemed to be the Restructuring Date for the purposes of determining whether such obligation shall constitute a Restructured Obligation.

"**Retention Deficiency**" means, as of any Measurement Date, an event which occurs if the original Principal Amount Outstanding of the Retention Notes (such original Principal Amount Outstanding calculated as of the date of issuance of such Subordinated Notes) is less than 5 per cent. of the greater of the Target Par Amount and the Collateral Principal Amount on the relevant date of determination.

"**Retention Holder**" means Blackstone / GSO Corporate Funding Designated Activity Company.

"**Retention Notes**" means, as determined on the relevant date of determination and for so long as any Class of Notes remains Outstanding, the Subordinated Notes acquired and held on an ongoing basis by BGCF with an original Principal Amount Outstanding (such original Principal Amount Outstanding calculated as of the date of issuance of such Subordinated Notes) equal to or greater than 5 per cent. of the greater of the Target Par Amount and the Collateral Principal Amount on the relevant date of determination.

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

"**Retention Undertaking Letter**" means the letter from BGCF dated the Issue Date and addressed to the Issuer, the Initial Purchaser, the Trustee and the Collateral Administrator pursuant to which BGCF 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, 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 of the Securities Act (as amended).

"**Rule 144A Notes**" means Notes offered for sale within the United States or to U.S. Persons in reliance on Rule 144A.

"**Rule 3a-7**" means Rule 3a-7 under the Investment Company Act.

"**Rule 17g-5**" means Rule 17g-5 under the Exchange Act.

"**Rule 17g–10**" means Rule 17g-10 under the Exchange Act.

"**S&P**" means Standard & Poor's Credit Market Services Europe Limited and any successor or successors thereto.

"**S&P CCC Obligations**" means all Collateral Obligations, excluding Defaulted Obligations, with an S&P Rating of "CCC+" or lower.

"**S&P CDO Input Files**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P CDO Formula Election Date**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P CDO Formula Election Period**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P CDO Monitor Election Date**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P CDO Model Election Period**" has the meaning given to it in the Collateral Management and Administration Agreement.

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

"**S&P CDO Monitor Recovery Rate**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P CDO Monitor Test**" has the meaning given to it in the Collateral Management and Administration Agreement.

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

"**S&P CLO Specified Assets**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P Collateral Principal Amount**" means as of any Determination Date:

(a) the Aggregate Principal Balance of the Collateral Obligations (excluding Defaulted Obligations); *plus*

(b) without duplication, amounts (including Eligible Investments) on deposit in the (i) Collection Account representing Principal Proceeds (ii) Principal Account and (iii) Unused Proceeds Account; *plus*

(c) the S&P Collateral Value of the Collateral Obligations other than S&P CLO Specified Assets.

"**S&P Collateral Value**" means:

(a) for each Defaulted Obligation and Deferring Security the lower of:

(i) its prevailing Market Value; and

(ii) the relevant S&P Recovery Rate,

multiplied by its Principal Balance; or

(b) in the case of any other applicable Collateral Obligation the relevant S&P Recovery Rate multiplied by its Principal Balance,

provided that if the Market Value cannot be determined for any reason, the S&P Collateral Value shall be determined in accordance with paragraph (b) above.

"**S&P Default Rate**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P Default Rate Dispersion**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P Expected Default Rate**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P Industry Classification Group**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P Industry Diversity Measure**" has the meaning given to it in the Collateral Management and Administration Agreement.

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

"**S&P Matrix Spread**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P Minimum Weighted Average Recovery Rate Test**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P Obligor Diversity Measure**" has the meaning given to it in the Collateral Management and Administration Agreement.

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

"**S&P Recovery Rate**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P Regional Diversity Measure**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**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 Security; 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.

"**S&P Weighted Average Life**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**S&P Weighted Average Recovery Rate**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**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;

(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 and includes a First Lien Last Out Loan.

"**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 Subordinated Noteholders, the Initial Purchaser, the Collateral Manager, the Trustee, any Receiver or Appointee of the Trustee appointed pursuant to the Trust Deed, the Agents, each Hedge Counterparty and the Corporate Services Provider and "**Secured Parties**" means any two or more of them as the context so requires.

"**Secured Senior 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 100.00 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in paragraph (a) above provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares 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 Note**" means a Collateral Obligation that is a senior secured debt security in the form of, or represented by, a bond, note, certificated debt security or other debt security (that is not a Secured Senior Loan) as determined by the Collateral Manager in its reasonable 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 100.00 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or share referred to in paragraph (a) above provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares 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 Obligation**" means a Secured Senior Note or a Secured Senior Loan.

"**Secured Senior RCF Percentage**" means, in relation to a Secured Senior Note or a Secured Senior Loan, 15 per cent.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Selling Institution**" means an institution from whom:

(a) a Participation is taken and satisfies the applicable Rating Requirement; or

(b) an Assignment is acquired.

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

"**Senior Debt**" means, in respect of an Obligor, all debt securities issued by, and loan obligations of, such Obligor that are secured by assets of such Obligor 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).

"**Senior Expenses Cap**" means, in respect of each Payment Date the sum of:

(a) €300,000 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) 0.025 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 Collateral Principal Amount as at the Determination Date immediately preceding such Payment Date,

provided however that:

(A) for the avoidance of doubt, the Senior Expenses Cap shall include any applicable value added tax on any expense expressed to be subject to the Senior Expenses Cap; and

(B) if the amount of Trustee Fees and Expenses and Administrative Expenses paid on each of the three immediately preceding Payment Dates or, if a Frequency Switch Event has occurred, the immediately preceding Payment Date and during the related Due Period(s) (including the Due Period relating to the current Payment Date) is less than the applicable Senior Expenses Cap, the amount of each such excess (if any) 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 Management Fee**" means the fee payable to the Collateral Manager 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.

"**Senior Obligation**" means a Collateral Obligation that is a Secured Senior Obligation, 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 regulations, technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.

"**Solvency II Retention Requirements**" means the risk retention requirements and due diligence requirements set out in Article 254 (Risk retention requirements relating to the originators, sponsors or original lenders) and Article 256 (Qualitative requirements relating to insurance and reinsurance undertakings) of Chapter VIII (Investments in Securitisation Positions) of Commission Delegated Regulation (EU) 2015/35 which came into force on 18 January 2015, as amended from time to time.

"**Special Redemption**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Amount**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Date**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Spot Rate**" means with respect to any conversion of any currency into Euro or, as the case may be, of Euro into any other relevant currency, the relevant spot rate of exchange quoted by the Collateral Administrator in consultation and agreement with the Collateral Manager on the date of calculation.

"**Step-Down Coupon Security**" means a security:

(a) which does not pay interest over a specified period of time ending on its maturity, but which does provide for the payment of interest before such specified period; or

(b) the interest rate of which decreases over a specified period of time other than due to the decrease of the floating rate index applicable to such security.

"**Step-Up Coupon Security**" means a security:

(a) which does not pay interest over a specified period of time ending prior to its maturity, but which does provide for the payment of interest after the expiration of such specified period; or

(b) the interest rate of which increases over a specified period of time other than due to the increase of the floating rate index applicable to such security.

"**Structured Finance Security**" means any debt security which:

(a) 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) is issued by a specially created investment vehicle established for the purposes of issuing such debt security and acquiring such assets; and

(c) payments on such debt security 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 and, for the avoidance of doubt, any asset backed security will be considered a Structured Finance Security.

"**STS Regulation**" means the proposed regulation of the European Union relating to a European framework for simple, transparent and standardised securitisation including any implementing regulation, technical standards and official guidance related thereto.

"**Subordinated Management Fee**" means the fee payable to the Collateral Manager 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.

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

"**Subordinated Notes**" have the meaning ascribed to them in the first paragraph of these Conditions.

"**Subordinated Notes Initial Offer Price Percentage**" means 100 per cent.

"**Subscription Agreement**" means the subscription agreement between the Issuer and the Initial Purchaser dated as of 24 May 2016.

"**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 interest bearing account in the name of the Issuer, so entitled and held with the Account Bank within the United Kingdom and in any event outside Ireland.

"**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) the Interest Priority of Payments, at the sole discretion of the Collateral Manager, which amounts shall not exceed (i) the lower of (a) €3,750,000 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 €11,250,000.

"**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 65 per cent. of the Principal Balance thereof,

provided however that:

(A) 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;

(B) 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;

(C) in the case of a Collateral Obligation that is an interest (including a Participation) in a Floating Rate Collateral Obligation, such 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 30 consecutive Business Days since the acquisition of such Collateral Obligation equals or exceeds 90 per cent.;

(D) in the case of any Collateral Obligation that is an interest in a Fixed Rate Collateral Obligation, such 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 30 consecutive Business Days since the acquisition of such Collateral Obligation equals or exceeds 85 per cent.; and

(E) in determining which of the Swapped Non-Discount Obligations shall be included in the excess pursuant to paragraphs (A) or (B) above, Swapped Non-Discount Obligations with the lowest purchase prices shall be deemed to constitute the excess.

"**Synthetic Security**" means a security or swap transaction (other than a Participation) that has payments of interest or principal dependent on a reference obligation or the credit performance of a reference obligation.

"**Target Par Amount**" means €550,000,000.

"**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).

"**TCA**" means the Taxes Consolidation Act, 1997 of Ireland (as amended) .

"**Trading Requirements**" means:

(a) a Collateral Obligation, Collateral Enhancement Obligation, Exchanged Security or Eligible Investment, if being acquired by the Issuer, is an "eligible asset" (as defined in Rule 3a-7) or is an asset which is otherwise permitted under Rule 3a-7;

(b) such Collateral Obligation, Collateral Enhancement Obligation, Exchanged Security or Eligible Investment is being acquired or disposed of in accordance with the terms and conditions set forth in the Trust Deed and the Collateral Management and Administration Agreement;

(c) the acquisition or disposition of such Collateral Obligation, Collateral Enhancement Obligation, Exchanged Security or Eligible Investment does not result in a reduction or withdrawal of the then current rating issued by any Rating Agency on any Class of Notes (other than the Subordinated Notes) then outstanding; and

(d) such Collateral Obligation, Collateral Enhancement Obligation, Exchanged Security or Eligible Investment is not being acquired or disposed of for the primary purpose of recognising gains or decreasing losses resulting from market value changes.

"**Transaction Documents**" means the Trust Deed (including 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 Account Deed of Charge, the Corporate Services Agreement and any document supplemental thereto or issued in connection therewith.

"**Trustee Fees and Expenses**" means the fees and expenses and all other amounts payable to the Trustee 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 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:

(a) the Commitment Amount under such Revolving Obligation or Delayed Drawdown Collateral Obligation, as the case may be, at such time; over

(b) the Funded Amount thereof at such time.

"**Unfunded Revolver Reserve Account**" means the account of the Issuer established and maintained with the Account Bank held within the United Kingdom and in any event outside Ireland 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.

"**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 a Market Value multiplied by its Principal Balance of less than Euro 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 endeavours 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.

"**Unscheduled Principal Proceeds**" means:

(a) 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

(b) 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 paragraph (a) 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 or guarantor thereof if and to the extent that the granting of security over assets is permissible under applicable law; or

(ii) by 100.00 per cent. of the equity interests in the stock of an entity owning such fixed assets,

"**Unused Proceeds Account**" means an interest bearing account in the name of the Issuer with the Account Bank, held within the United Kingdom and in any event outside Ireland, 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.

"**Weighted Average Coupon**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Weighted Average Coupon Adjustment Percentage**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Weighted Average Floating Spread**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Weighted Average Life**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Weighted Average Life Test**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Weighted Average Moody's Recovery Rate**" 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 Security**" means a security (other than a Step-Up Coupon Security and a PIK Security) 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 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 such transfer.

(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 (including a Person holding any interest in a Note) 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 or Similar Law representation that is subsequently shown to be false or misleading, or whose beneficial ownership otherwise causes a violation of the 25 per cent. limitation set out in the Plan Asset Regulation (any such Noteholder a "**Non-Permitted ERISA Noteholder**"), the Non-Permitted ERISA Noteholder may be required by the Issuer to sell or otherwise transfer its Notes to an eligible purchaser (selected by the Issuer) at a price to be agreed between the Issuer (exercising its sole discretion) and such eligible purchaser at the time of sale, subject to the transfer restrictions set out in the Trust Deed. Each Noteholder and each other Person in the chain of title from the Noteholder, by its acceptance of an interest in such Notes, agrees to cooperate with the Issuer, to the extent required to effect such transfers. None of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses and costs incurred and any loss suffered by the Issuer as a result of such forced transfer. The Non-Permitted ERISA Noteholder will receive the balance, if any.

(j) ***Forced Transfer pursuant to FATCA***

If any Noteholder (other than BGCF with respect to the Retention Notes) is determined by the Issuer to be a Noteholder who:

(i) has failed to provide any information necessary in order to enable the Issuer to comply with its obligations under FATCA; or

(ii) otherwise prevents the Issuer from complying with FATCA,

(any such Noteholder, a "**Non-Permitted FATCA Noteholder**"), the Non-Permitted FATCA Noteholder may be required by the Issuer to sell or otherwise transfer its Notes to an eligible purchaser (selected by the Issuer) at a price to be agreed between the Issuer (exercising its sole discretion) and such eligible purchaser at the time of sale, subject to the transfer restrictions set out in the Trust Deed. Each Noteholder and each other Person in the chain of title from the Noteholder, by its acceptance of an interest in such Notes, agrees to cooperate with the Issuer to the extent required to effect such transfers. None of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses and costs (including but not limited to withholding, expenses and costs pursuant to FATCA) incurred and any loss suffered by the Issuer as a result of such forced transfer. The Non-Permitted FATCA Noteholder will receive the balance, if any. 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 and the Agents (each at the expense of the Issuer) shall work with the Clearing Systems to take such action as may be necessary to effect such repayment and issue of replacement Notes.

(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.

(m) ***CM Voting Notes and CM Non-Voting Notes***

The Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes may be in the form of CM Voting Notes, CM Non-Voting Notes or CM Exchangeable Non-Voting Notes. CM Voting Notes shall carry a right to vote in respect of, and be counted for the purposes of determining a quorum and the result of voting on any CM Replacement Resolution and any CM Removal Resolution. CM Non-Voting Notes and CM Exchangeable Non-Voting Notes shall not carry any rights in respect of, or be counted for the purposes of determining a quorum and the result of voting on any CM Removal Resolution and/or any CM Replacement Resolution but shall carry a right to vote on and be counted in respect of all other matters in respect of which the CM Voting Notes have a right to vote and be counted.

CM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into CM Exchangeable Non-Voting Notes or CM Non-Voting Notes. CM Exchangeable Non-Voting Notes shall be exchangeable upon request by the relevant Noteholder into:

(i) CM Non-Voting Notes at any time; or

(ii) CM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor upon request of the relevant transferee or transferor and in no other circumstance.

CM Non-Voting Notes shall not be exchangeable at any time into CM Voting Notes or CM Exchangeable Non-Voting Notes.

Any such right to exchange a Note, as described and subject to the limitations set out in the immediately prior paragraph, may be exercised by a Noteholder holding a Definitive Certificate or a beneficial interest in a Global Certificate delivering to the Issuer and the Registrar or a Transfer Agent a duly completed exchange request substantially in the form provided in the Trust Deed. It shall be a condition of any exchange of a Definitive Certificate from a CM Voting Note to a CM Non-Voting Note or a CM Exchangeable Non-Voting Note or from a CM Exchangeable Non-Voting Note to a CM Voting Note or a CM Non-Voting Note that the holder of such Definitive Certificate shall indemnify the Issuer against any costs and expenses associated with such exchange.

Any Class A-1 Notes, Class A-2 Notes, Class B Notes and Class C Notes held by or on behalf of the Collateral Manager or any of its Affiliates shall only be held in the form of CM Exchangeable Non-Voting Notes.

3 STATUS

(a) ***Status***

The Notes of each Class constitute direct, general, secured, unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 4(c) (*Limited Recourse 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-1 Notes will rank senior to payments of interest on each Payment Date in respect of each other Class; payment of interest on the Class A-2 Notes will be subordinated in right of payment to payments of interest in respect of the Class A-1 Notes, but 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 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-1 Notes and the Class A-2 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 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-1 Notes, the Class A-2 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 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-1 Notes, the Class A-2 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 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-1 Notes, the Class A-2 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 Subordinated Notes. Payment of interest on the Subordinated Notes will be subordinated in right of payment to payment of interest in respect of the Rated Notes. Interest on the Subordinated Notes shall be paid *pari passu* and without any preference amongst themselves.

No amount of principal in respect of the Class A-2 Notes shall become due and payable until redemption and payment in full of the Class A-1 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-1 Notes and the Class A-2 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-1 Notes, the Class A-2 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-1 Notes, the Class A-2 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-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D 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 on each Determination Date), on behalf of the Issuer on each Payment Date:

(1) 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);

(2) following delivery of an Acceleration Notice (deemed or otherwise) which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*); and

(3) other than in connection with an optional redemption in whole under Condition 7(b) (*Optional Redemption*) or in accordance with Condition 7(g) (*Redemption Following Note Tax Event*) (in which event the Post-Acceleration Priority of Payments shall apply),

cause the Account Bank to disburse Interest Proceeds and Principal Proceeds transferred to the Payment Account, in each case, in accordance with the following Priorities of 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:

(A) to the payment of:

(1) *firstly,* taxes and governmental fees (including related filing and preparation fees) owing by the Issuer accrued in respect of the related Due Period (including any Irish corporate income tax payable in relation to the amounts equal to the minimum profit referred to in (2) below), as certified by an Authorised Officer of the Issuer to the Collateral Administrator, if any, (save for any value added tax payable in respect of any Collateral Management Fee or any other tax payable in relation to any amount payable to the Secured Parties); and

(2) *secondly,* the Issuer Profit Amount to be retained by the Issuer, for deposit into the Issuer Irish Account from time to time;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period;

(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:

(1) any amounts paid pursuant to paragraphs (B) and (C) above; and

(2) 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 and any value added tax in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority) (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 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 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 (F) through (W) and (Y) 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 (other than Deferred Senior Collateral Management Amounts) and any value added tax in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority);

(F) to the payment, on a *pro rata* basis, of

(1) any Scheduled Periodic Hedge Issuer Payments (to the extent not paid out of the Currency Account or the Interest Account);

(2) 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

(3) 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* basis of all Interest Amounts due and payable on the Class A-1 Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on such Class A-1 Notes;

(H) to the payment on a *pro rata* basis of all Interest Amounts due and payable on the Class A-2 Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on such Class A-2 Notes;

(I) if the Class A Par Value Test is not satisfied on any Determination Date on or after the Effective Date and/or the Class A Interest Coverage Test is not satisfied on any Determination Date on or after the Determination Date preceding the second Payment Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class A Coverage Test to be satisfied (as applicable) 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 B 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 B Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*)

(L) if the Class B Par Value Test is not satisfied on any Determination Date on or after the Effective Date and/or the Class B Interest Coverage Test is not satisfied on any Determination Date on or after the Determination Date preceding the second Payment Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class B Coverage Test to be satisfied (as applicable) 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 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);

(N) 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*);

(O) if the Class C Par Value Test is not satisfied on any Determination Date on or after the Effective Date and/or the Class C Interest Coverage Test is not satisfied on any Determination Date on or after the Determination Date preceding the second Payment Date, 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 (as applicable) 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 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);

(Q) 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*);

(R) if the Class D Par Value Test is not satisfied on any Determination Date on or after the Effective Date and/or the Class D Interest Coverage Test is not satisfied on any Determination Date on or after the Determination Date preceding the second Payment Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class D Coverage Test to be satisfied (as applicable) 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 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);

(T) 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*);

(U) if the Post-Reinvestment Period Par Value Test is not satisfied on any Determination Date after the expiry of the Reinvestment Period, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause the Post-Reinvestment Period Par Value Test to be satisfied if recalculated 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 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 Determination Date on and after the Effective Date and during the Reinvestment Period, after giving effect to the payment of all amounts payable in respect of paragraphs (A) 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 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:

(1) *firstly*, to the Collateral Manager of the Subordinated Management Fee due and payable on such Payment Date and any value added tax in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority) (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 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 (X) (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 (Y) through (DD) 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 (other than Deferred Subordinated Collateral Management Amounts) and any value added tax in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(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;

(Y) to the payment of Trustee Fees and Expenses (if any) not paid by reason of the Senior Expenses Cap;

(Z) 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;

(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 (DD) below and paragraph (V) of the Principal Priority of Payments), to the payment to the Collateral Manager of up to 30 per cent. of any remaining Interest Proceeds (after any payment required to satisfy the Incentive Collateral Management Fee IRR Threshold) in payment of any accrued but unpaid Incentive Collateral Management Fee, provided however that the Collateral Manager may, in its sole discretion, elect to (x) irrevocably waive or (y) designate for reinvestment 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, in the case of (y), (i) be used to purchase additional Collateral Obligations and/or (ii) be deposited in the Principal Account pending reinvestment in additional Collateral Obligations or, in the case of (x), be applied to the payment of amounts in accordance with paragraph (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

(DD) 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), (X) or (CC) above shall not be treated as due and payable pursuant to paragraphs (E)(1), (E)(2), (X)(1), (X)(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:

(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 Coverage Tests that are applicable on such Payment Date with respect to the Class A 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 the Class B Notes are the Controlling Class;

(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 to the extent that the Class B 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 B Coverage Tests that are applicable on such Payment Date with respect to the Class B 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 the Class C Notes are the Controlling Class;

(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 to the extent that the Class C 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 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;

(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 the Class D Notes are the Controlling Class;

(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 to the extent that the Class D 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 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;

(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 to the extent that the Class E Notes are the Controlling Class;

(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 to the extent that the Class E Notes are the Controlling Class;

(N) after the expiry of the Reinvestment Period, 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 Post-Reinvestment Period Par Value Test that is applicable on such Payment Date to be met as of the related Determination Date;

(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 Substitute Collateral Obligations or to the Principal Account pending reinvestment in 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 (subject to such Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Risk Obligations being received by the Issuer less than 30 days prior to the end of the applicable Due Period) at the discretion of the Collateral Manager, either to the purchase of Substitute Collateral Obligations or to the Principal Account pending reinvestment in 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 (V) below and paragraph (DD) of the Interest Priority of Payments) to the payment to the Collateral Manager of up to 30 per cent. of any remaining Principal Proceeds (after any payment required to satisfy the Incentive Collateral Management Fee IRR Threshold) in payment of any accrued but unpaid Incentive Collateral Management Fee, provided however that the Collateral Manager may, in its sole discretion, elect to (x) irrevocably waive or (y) designate for reinvestment some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (U) on any Payment Date and apply such amount to, in the case of (y), (i) be used to purchase additional Collateral Obligations or (ii) be deposited in the Principal Account pending reinvestment in additional Collateral Obligations or, in the case of (x), be applied to the payment of amounts in accordance with paragraph (V) 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

(V) 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).

For the avoidance of doubt, any Incentive Collateral Management Fees which are waived or designated for reinvestment pursuant to paragraph (U) above shall not be treated as due and payable pursuant to such paragraph.

(d) ***Contributions***

At any time during or after 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:

(i) determine, in its reasonable discretion whether to accept any proposed Contribution and

(ii) 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 condition that on each occasion a Contribution shall be a minimum of €250,000 in aggregate.

(e) ***Non payment of Amounts***

Failure on the part of the Issuer to pay the Interest Amounts on the Class A 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)), 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 B Notes, Class C Notes, Class D Notes or Class E 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 seven Business Days after the Issuer, 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 B Notes, the Class C Notes, the Class D Notes and the Class E 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 the Principal Account, the Unused Proceeds Account and if applicable the Interest Account and the Supplemental Reserve Account (together with, to the extent applicable, amounts standing to the credit of any other Account, but excluding any amounts in respect of Hedge Issuer Tax Credit Payments received by the Issuer and payable to the Hedge Counterparty) 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 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 and the Subordinated Notes is a whole amount, not involving any fraction of a 0.01 Euro or, at the discretion of the Collateral Administrator, part of a Euro.

(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 12.00 p.m. (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 fraud, bad faith, negligence or wilful misconduct) 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 First Period Reserve Account;
- the Custody Account;

- the Collection Account; and
- the Interest Smoothing Account.

The Issuer shall establish the following accounts with the Account Bank 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 in Ireland but which has the necessary regulatory capacity and licences to perform the services required by it in Ireland. If the Account Bank at any time fails to satisfy the Rating Requirement applicable to an Account Bank, the Issuer shall use reasonable endeavours to procure that a replacement Account Bank, 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, the Collection Account 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 and in consultation with 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, (vii) the Counterparty Downgrade Collateral Accounts and (viii) 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 Currency Account 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:

(a) 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;

(b) principal proceeds on any Non-Euro Obligation to the extent required to be paid into the Currency Account;

(c) 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; and

(d) principal proceeds received both before and after the Reinvestment Period in connection with the acceptance of an Offer (for the avoidance of doubt, such proceeds will be reinvested automatically as consideration for the Collateral Obligation subject to such Offer, subject to the Restructured Obligation Criteria being satisfied);

(B) all interest and other amounts received in respect of any Defaulted Obligation or any Mezzanine Obligation for so long as it is a Defaulted Obligation (save for Defaulted Obligation Excess Amounts) and amounts representing the element of deferred interest in any payments received in respect of any PIK Security;

(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 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 the Notes (other than proceeds received during the Initial Investment Period) that are not invested in Collateral Obligations or required to be paid into the Interest Account in accordance with Condition 17(b) (*Additional Issuances*);

(J) any other amounts received in respect of the Collateral which are not required to be paid into another Account;

(K) 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;

(L) all amounts transferred from the Supplemental Reserve Account in accordance with Condition 3(k)(vi) (*Supplemental Reserve Account*) below;

(M) all amounts transferred from the Expense Reserve Account;

(N) 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 on any Determination Date on and after the Effective Date and during the Reinvestment Period;

(O) 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 have not been sold by the Collateral Manager in accordance with the Collateral Management and Administration Agreement;

(P) all amounts transferred to the Principal Account from the Currency Account pursuant to paragraph (B) of Condition 3(k)(ix) (*Currency Account*) following exchange of such amounts into Euros (to the extent not already in Euros) by the Issuer following consultation with the Collateral Manager; and

(Q) 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*).

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:

(i) if the Coverage Tests are not satisfied, Principal Proceeds from Defaulted Obligations may not be designated for reinvestment by the Collateral Manager (on behalf of the Issuer) unless the Coverage Tests will be satisfied immediately following such reinvestment and, if not so designated prior to the following Payment Date, shall be disbursed pursuant to the Principal Priority of Payments on such Payment Date;

(ii) 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; and

(iii) if the Coverage Tests are not satisfied on the Determination Date prior to a Payment Date, Principal Proceeds that are standing to the credit of the Principal Account and that have been designated for reinvestment since before the preceding Determination Date, shall be disbursed 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) 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:

(1) interest proceeds on any Non-Euro Obligation to the extent required to be paid into the Currency Account; and

(2) any interest received in respect of any Defaulted Obligations and Mezzanine Obligation for so long as it is a Defaulted Obligation other than Defaulted Obligation Excess Amounts;

(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 and the Payment 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 as determined by the Collateral Manager in its reasonable discretion (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 (1) any Purchased Accrued Interest or (2) any interest received in respect of any Mezzanine Obligation 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 that are not reinvested or retained for reinvestment in Collateral Obligations;

(F) all amounts representing the element of deferred interest (other than Purchased Accrued Interest) in any payments received in respect of any Mezzanine Obligation 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;

(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; and

(O) any Interest Smoothing Amounts which are required to be transferred from the Interest Smoothing Account.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Interest Account:

(1) on the Business Day prior to each Payment Date, all Interest Proceeds 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 or any amounts representing any Hedge Issuer Tax Credit Payments to be disbursed pursuant to (3) 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;

(3) any Scheduled Periodic Interest Rate Hedge Issuer Payments and any Hedge Issuer Tax Credit Payments; and

(4) 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, any Interest Smoothing Amount required to be transferred to the Interest Smoothing Account.

(iii) ***Unused Proceeds Account***

The Issuer will procure that the following amounts are credited to the Unused Proceeds Account, as applicable:

(A) an amount transferred from the Collection Account equal to the net proceeds of issue of the Notes remaining after the payment of all amounts pursuant to Condition 3(k)(xii)(1) (*Collection Account*) below; and

(B) all proceeds received during the Initial Investment Period from any additional issuance of Notes that are not invested in Collateral Obligations or paid into the Interest Account in accordance with Condition 17(b) (*Additional Issuances*).

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 the Issue Date, such amounts equal to the purchase price for certain Collateral Obligations purchased prior to the Issue Date and, on or about the Issue Date, such amounts equal to the purchase price for certain Collateral Obligations purchased on or about the Issue Date, in each case including pursuant to the Participation Agreements;

(2) at any time up to and including the last day of the Initial Investment Period, in accordance with the terms of, and to the extent permitted under, the Collateral Management and Administration Agreement, in the acquisition of Collateral Obligations;

(3) in the event of the occurrence of an Effective Date Rating Event, the Balance standing to the credit of the Unused Proceeds Account, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the

extent required to 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

(4) no later than the Determination Date immediately following the Effective Date, the Balance standing to the credit of the Unused Proceeds Account, to the Principal Account or the Interest Account, in each case, at the discretion of the Collateral Manager, acting on behalf of the Issuer, provided that as at such date:

(a) the Rating Agencies have confirmed the Initial Ratings of the Rated Notes following delivery of the Effective Date Report (or in respect of Moody's, the Effective Date Moody's Condition is satisfied); and

(b) no more than 1 per cent. of the Collateral Principal Amount 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, 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, the Collateral Administrator shall cause the Account Bank (acting on the basis of the Payment Date Report), to disburse such amounts in accordance with the Priorities of Payments. No amounts shall be transferred to or withdrawn from the Payment Account at any other time or in any other circumstances.

(v) ***Counterparty Downgrade Collateral Accounts***

The Issuer will procure that all Counterparty Downgrade Collateral transferred pursuant to a Hedge Agreement shall be deposited in a separate Counterparty Downgrade Collateral Account in respect of each Hedge Counterparty 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):

(A) prior to the occurrence or designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" (as defined in such Hedge Agreement) entered into under such Hedge Agreement pursuant to which all such "Transactions" under such Hedge Agreement are terminated early, solely in or towards payment or transfer of:

(1) any "Return Amounts" (if applicable and as defined in such Hedge Agreement or the credit support annex thereto);

(2) any "Interest Amounts" and "Distributions" (if applicable and each as defined in such Hedge Agreement or the credit support annex thereto); and

(3) any other return or transfer of collateral or other payment amounts in the nature of interest or distributions in respect of collateral in accordance with the terms of such Hedge Agreement (including without limitation in connection with any permitted novation or other transfer of the Hedge Counterparty's obligations in respect of all "Transactions" thereunder),

directly to the Hedge Counterparty in accordance with the terms of such Hedge Agreement (including, if applicable, the credit support annex thereto);

(B) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under such Hedge Agreement are terminated early where:

(1) the relevant Hedge Counterparty is a Defaulting Hedge Counterparty; and

(2) 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;

(C) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under such Hedge Agreement are terminated early where:

(1) the relevant Hedge Counterparty is not a Defaulting Hedge Counterparty; and

(2) 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,

(D) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under such Hedge Agreement are terminated early and if the Issuer, or the 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:

(1) *first*, in or towards payment of any Hedge Issuer Termination Payments relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account); and

(2) *second*, the surplus amount standing to the credit of such Counterparty Downgrade Collateral Account (if any) to the Principal Account.

The funds or securities credited to the Counterparty Downgrade Collateral Account and any interest or distributions thereon or liquidation proceeds thereof are held separate from and do not form part of Principal Proceeds or of the Interest Proceeds and accordingly, are not available to fund general distributions of the Issuer. The amounts standing to the credit of the applicable Counterparty Downgrade Collateral Account shall not be commingled with any other funds from any party.

(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:

(A) 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:

(1) during the Reinvestment Period to reinvest in Substitute Collateral Obligations or invest in additional Collateral Obligations; or

(2) otherwise for distribution on the next following Payment Date in accordance with the Priorities of Payments;

(B) 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;

(C) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Obligations, in accordance with the terms of the Collateral Management and Administration Agreement;

(D) 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*);

(E) in the event of the occurrence of an Effective Date Rating Event, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required to 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;

(F) 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 Priorities 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*);

(G) for deposit into the Expense Reserve Account; and

(H) 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 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), 30 per cent. of such Collateral Enhancement Obligation Proceeds shall be paid to the Collateral Manager in respect of any accrued and unpaid Incentive Collateral Management Fee, provided however that the Collateral Manager may, in its sole discretion, elect to (x) irrevocably waive or (y) designate for reinvestment some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (H) on any Payment Date and apply such amount to, in the case of (y), (i) be used to purchase additional Collateral Obligations or Collateral Enhancement Obligations or (ii) remain in the Supplemental Reserve Account pending reinvestment in additional Collateral Obligations or Collateral Enhancement Obligations or, in the case of (x), be applied to the payment of distributions on the Subordinated Notes, 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,

each of the foregoing being a "**Permitted Use**", provided that, for the avoidance of doubt, in respect of items (A), (B) and (F) 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, the Collateral Manager acting on behalf of the Issuer and the Trustee);

(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 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; and

(4) all interest accrued on the Balance standing to the credit of the Unfunded Revolver Reserve Account from time to time (including capitalised interest received upon the sale, maturity or termination of any Eligible Investment) to the Interest Account following conversion thereof into Euros 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 Principal Account.

(x) ***Expense Reserve Account***

The Issuer shall procure that the following amounts are paid into the Expense Reserve Account:

(A) on the Issue Date, an amount determined on the Issue Date for the payment of amounts due or accrued in connection with the issue of the Notes, in accordance with (1) below;

(B) any amount applied in payment into the Expense Reserve Account pursuant to paragraph (D) of the Interest Priority of Payments; and

(C) all amounts transferred from the Supplemental Reserve Account.

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); and

(3) at any time, the amount of Trustee Fees and Expenses and Administrative Expenses which have accrued and become payable prior to the immediately following Payment Date, upon receipt of invoices therefor from the relevant creditor, provided that any such payments, in aggregate, shall not cause the balance of the Expense Reserve Account to fall below zero.

(xi) ***First Period Reserve Account***

The Issuer shall procure that on or about the Issue Date €2,000,000 is paid into the First Period Reserve Account from the Collection Account.

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 the acquisition of Collateral Obligations, subject to and in accordance with the Collateral Management and Administration Agreement. Following the Initial Investment Period, all amounts standing to the credit of the First Period Reserve Account (including all interest accrued thereon) shall be transferred to the Payment Account for disbursement pursuant to the Interest Priority of Payments.

(xii) ***Collection Account***

The Issuer will procure that the following amounts are credited to the Collection Account:

(A) on the Issue Date, the net proceeds of issue of the Notes; and

(B) all amounts received in respect of any Collateral (other than as otherwise provided in Condition 3(k)(v) (*Counterparty Downgrade Collateral Accounts*)).

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Collection Account:

(1) on or about the Issue Date:

(a) in payment of amounts due or accrued with respect to action taken on or in connection with the Issue Date with respect to the issue of Notes and the entry into the Transaction Documents;

(b) in payment to fund the Expense Reserve Account in an amount equal to €2,027,125; and

(c) to fund the First Period Reserve Account in an amount equal to €2,000,000; and

(d) any remaining amounts to the Unused Proceeds Account; and

(2) subject to the prior payment of all amounts pursuant to Condition 3(k)(xii)(1) above, in transfer to the other Accounts as required in accordance with Condition 3(j) (*Accounts*) on a daily basis, such that the balance standing to the credit of the Collection Account at the end of each Business Day is zero.

(xiii) ***Interest Smoothing Account***

On the Business Day following each Determination Date save for:

(A) the first Determination Date following the Issue Date;

(B) a Determination Date following the occurrence of an Event of Default which is continuing;

(C) the Determination Date immediately prior to any redemption of the Notes in full; and

(D) any Determination Date on or following the occurrence of a Frequency Switch Event,

the Interest Smoothing Amount (if any) shall be credited to the Interest Smoothing Account from the Interest Account.

The Issuer shall procure, on the Business Day falling after the Payment Date following the Determination Date on which any Interest Smoothing Amount was transferred to the Interest Smoothing Account, such Interest Smoothing Amount to be transferred to the Interest Account.

4 SECURITY

(a) ***Security***

Pursuant to the Trust Deed, the obligations of the Issuer under the Notes, 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 and any other investments, in each case held by the Issuer from time to time (where such rights are contractual rights (other than contractual rights the assignment of which would require the consent of a third party or the entry into of 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 and any other investments, in each case held by the Issuer (where such assets are securities or contractual rights not assigned by way of security pursuant to paragraph (i) above and which are capable of being the subject of a first fixed charge and first priority security interest), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(iii) a first fixed charge over all present and future rights of the Issuer in respect of each of the Accounts (other than 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) 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, 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 each 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 of 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) above:

(A) the Issuer's rights under the Corporate Services Agreement; and

(B) the Issuer's rights in respect of amounts standing to the credit of the Issuer Irish Account.

The security created pursuant to paragraphs (i) to (ix) 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, the property, assets, rights and/or benefits described above is found to be ineffective in respect of any such property, assets, rights and/or benefits (together, the "**Affected Collateral**"), the Issuer shall hold to the fullest extent permitted under Irish 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 Account*) (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).

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 its reasonable endeavours to procure the appointment of a replacement Custodian with the

applicable Rating Requirement on substantially the same terms as 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 Secured Parties at any time shall be limited to the proceeds available at such time to make such payments in accordance with the Priorities of 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 (i) 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 and to the other Secured Parties or (ii) the net proceeds from the sale of the whole Portfolio and the liquidation and/or sale of all other remaining valuable Collateral are, in either case, less than the aggregate amount payable by the Issuer in respect of the Notes and to the other Secured Parties following the payment of senior ranking items in the Priorities of Payments (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 Issuer Irish Account and its rights under the Corporate Services 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 Secured Parties to receive any further amounts in respect of such obligations shall be extinguished and none of the Noteholders of each Class or the other Secured Parties may take any further action to recover such amounts. None of the Noteholders of any Class, the Trustee or the other Secured Parties (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, examinership, winding up or liquidation proceedings, proceedings for the appointment of a liquidator, examiner, administrator or similar official 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 or judgment 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 shareholder, officer, agent, employee or director of the Issuer in respect of any obligations, covenants or agreement 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 Directors, the Initial Purchaser, the Collateral Manager and any Agent has any obligation to any Noteholder of any Class for payment of any amount by the Issuer in respect of the Notes of any Class.

(d) ***Acquisition and Sale of Portfolio***

The 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 Collection Account, 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.

(iv) unless and until the Issuer or the Collateral Manager (on behalf of the Issuer) elects (by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*)) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7 following receipt by the Issuer or the Collateral Manager (on behalf of the Issuer) of a legal opinion (which shall be addressed to the Trustee) from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule and, for so long as any of the Class A-1 Notes remain Outstanding, the holders of the Class A-1 Notes, acting by way of an Ordinary Resolution, have consented thereto, cause the Issuer to be exclusively engaged in (A) purchasing, holding and selling "eligible assets" (as defined in Rule 3a-7) or such other assets as are permitted under Rule 3a-7 and (B) activities related to or incidental to investment in such assets.

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.

Under the Collateral Management and Administration Agreement, the Issuer, the Controlling Class (provided such Notes are not in the form of CM Non-Voting Notes or CM Exchangeable Non-Voting Notes) and the Subordinated Noteholders have certain rights in respect of the removal of the Collateral Manager, the appointment of a replacement Collateral Manager and any assignment or delegation by the Collateral Manager of its rights and obligations under the Collateral Management and Administration Agreement.

(e) ***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.

(f) ***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 upon request in writing therefor and that copies of each such Report are made available to the Trustee, the Collateral Manager, 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 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 Retention Undertaking Letter;

(F) under the Corporate Services Agreement;

(G) under each Collateral Acquisition Agreement; and

(H) under any Hedge Agreements;

(ii) comply with its obligations under the Notes, the Trust Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement and each other Transaction Document to which it is a party;

(iii) keep proper books of account;

(iv) at all times maintain its tax residence outside the United Kingdom and the United States and will not establish a branch, agency, permanent establishment or business establishment (other than the appointment of the Agents (save for the Registrar) pursuant to the Agency and Account Bank Agreement and the Collateral Management and Administration Agreement (as applicable)) or place of business (save for the activities conducted by the Agents (save for the Registrar) on its behalf) or register as a company in the United Kingdom or the United States;

(v) conduct its business and affairs such that, at all times:

(A) it shall maintain its registered office in Ireland;

(B) it shall hold all meetings of its board of directors in Ireland and ensure that all of its Directors are and will remain resident in Ireland 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 Ireland by taking all key decisions relating to the Issuer in Ireland;

(C) it shall not open any office or branch, permanent establishment, business establishment or place of business outside of Ireland; 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 European Council Regulation No. 1346/2000 on Insolvency Proceedings (the "**Insolvency Regulations**")) to be located in any jurisdiction other than Ireland 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 Ireland;

(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, provided that any such other stock exchange is a recognised stock exchange for the purposes of Section 64 of the TCA;

(ix) supply such information to the Rating Agencies as they may reasonably request;

(x) ensure that its tax residence is and remains at all times solely in Ireland; and

(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.

(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 the holding, managing or both the holding and managing, in each case in Ireland, of "qualifying assets" within the meaning of Section 110 of the TCA and in connection therewith shall not 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 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) save in accordance with these Conditions and the Trust Deed, 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 Corporate Services Agreement, or any other Transaction Document to which it is a party (save in accordance with these Conditions and the Trust Deed) and, in the case of the Collateral Management and Administration Agreement, the terms thereof;

(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 Constitution, other than for the sole purpose of amending its name;

(viii) have any subsidiaries or establish any offices, branches or other "establishment" (as that term is used in article 2(h) of Council Regulation (EC) No. 1346/2000 on Insolvency Proceedings) outside of Ireland;

(ix) have any employees (for the avoidance of doubt the Directors of the Issuer do not constitute employees);

(x) enter into any reconstruction, amalgamation, merger or consolidation;

(xi) convey or transfer all or a substantial part of its properties or assets (in one or a series of transactions) to any person, otherwise than as contemplated in these Conditions;

(xii) issue any shares (other than the share 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;

(xiii) enter into any material agreement or contract with any Person (other than an agreement on customary market terms which for the avoidance of doubt will include agreements to buy and sell obligations and documentation relating to restructurings (including steering committee indemnity letters), which terms do not contain the provisions below) unless such contract or agreement contains standard "limited recourse" and "non-petition" provisions and such Person agrees that it shall not take any action or institute any proceeding against the Issuer under any insolvency law applicable to the Issuer or which would reasonably be likely to cause the Issuer to be subject to or seek protection of, any such insolvency law; provided that such Person shall be permitted to become a party to and to participate in any proceeding or action under any such insolvency law that is initiated by any other Person other than one of its Affiliates;

(xiv) otherwise than as contemplated in the Transaction Documents, release from or terminate the appointment of the Custodian or the Account Bank under the Agency 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;

(xv) comingle its assets with those of any other Person or entity;

(xvi) take any action, or permit any action to be taken, which would cause it to cease to be a "qualifying company" within the meaning of Section 110 of the TCA;

(xvii) enter into any lease in respect of, or own, premises;

(xviii) have any Affiliates or, if it does have any Affiliates, enter into any transactions or arrangements with any of such Affiliates on anything other than arm's length terms; or

(xix) other than those transactions to which Section 110(4) of the TCA applies, enter into any transaction or arrangement otherwise than by way of transaction or arrangement at arm's length.

(c) ***Additional Covenants of the Issuer***

For so long as any of the Notes remain Outstanding, the Issuer covenants to the Trustee on behalf of the holders of such Outstanding Notes that (to the extent applicable) it will not, unless and until the Issuer or the Collateral Manager (on behalf of the Issuer) elects (by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*)) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7, following receipt by the Issuer or the Collateral Manager (on behalf of the Issuer) of a legal opinion (which shall be addressed to the Trustee) from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule and, for so long as any of the Class A-1 Notes remain Outstanding, the holders of the Class A-1 Notes, acting by way of an Ordinary Resolution, have consented thereto, acquire or dispose of any item of Collateral or other "eligible asset" (as defined in Rule 3a-7) for the primary purpose of recognising gains or decreasing losses resulting from market value changes and will otherwise comply with the Trading Requirements (so long as they are applicable).

6 INTEREST

(a) ***Payment Dates***

(i) *Rated Notes*

The Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E 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 October 2016;

(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 (DD) of the Interest Priority of Payments, paragraph (V) of the Principal Priority of Payments and paragraph (Y) 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) *Floating Rate Notes*

Each Floating Rate 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 B Notes, the Class C Notes, the Class D Notes or the Class E 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 B Notes, the Class C Notes, the Class D Notes or the Class E Notes, an amount of interest equal to any shortfall in payment of the Interest Amount which would, but for the first paragraph of this Condition 6(c) (*Deferral of Interest*) otherwise be due and payable in respect of 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 B Notes, the Class C Notes, the Class D Notes or the Class E 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 B Notes, the Class C Notes, the Class D Notes or the Class E 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 B Note, Class C Note, Class D Note or Class E 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 B Notes, the Class C Notes, the Class D Notes and/or the Class E 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 B Notes, the Class C Notes, the Class D Notes and/or the Class E 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-1 Notes (the "**Class A-1 Floating Rate of Interest**"), in respect of the Class A-2 Notes (the "**Class A-2 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 each a "**Floating Rate of Interest**") will be determined by the Calculation Agent on the following basis:

(A) On each Interest Determination Date:

(1) in the case of the initial Accrual Period, the Calculation Agent will determine for (x) the period from the Issue Date to (but excluding) the First EURIBOR Period End Date, a straight line interpolation of the offered rate for (i) one month Euro deposits and (ii) three month Euro deposits, and (y) the remainder of such first Accrual Period, the offered rate for three month EURIBOR, *provided that* EURIBOR applicable in respect of the entire initial first Accrual Period shall be a weighted average of the rate determined pursuant to (x) and (y) equal to:

(a) the sum of:

(i) EURIBOR in respect of the period from (and including) the Issue Date to (but excluding) the First EURIBOR Period End Date (such rate determined pursuant to paragraphs (x) above) multiplied by the actual number of days from (and including) the Issue Date to (but excluding) the First EURIBOR Period End Date; and

(ii) EURIBOR in respect of the period from (and including) the First EURIBOR Period End Date to (but excluding) the first Payment Date (such rate determined as at the first Interest Determination Date pursuant to paragraph (y) above) *multiplied by* the actual number of days from (and

including) the First EURIBOR Period End Date to (but excluding) the first Payment Date; *divided by*

(b) the actual number of days from (and including) the Issue Date to (but excluding) the first Payment Date;

(2) in the case of an Accrual Period prior to the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for three month EURIBOR; and

(3) in the case of an Accrual Period following the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for six month Euro deposits or, in the case of the Accrual Period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls in January 2029, the Calculation Agent will determine the offered rate for three month EURIBOR,

in each case as at 11.00 a.m. (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 "BTMMEU" page (or such other page or service as may replace it for the purpose of displaying EURIBOR rates). The Class A-1 Floating Rate of Interest, the Class A-2 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, and the Class E 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.

(B) If the offered rate so appearing is replaced by the corresponding rates of more than one bank then paragraph (A) shall be applied, with any necessary consequential changes, to the arithmetic mean (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of the rates (being at least two) which so appear, as determined by the Calculation Agent. If for any other reason such offered rate does not so appear, or if the relevant page is unavailable, the Calculation Agent will request each of four major banks in the Euro zone interbank market (selected by the Collateral Manager on behalf of 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:

(1) in the case of the initial Accrual Period, for (x) the period from the Issue Date to (but excluding) the First EURIBOR Period End Date, a straight line interpolation of the offered rate for (i) one month Euro deposits and (ii) three month Euro deposits, and (y) the remainder of such first Accrual Period, for a period of three months, *provided that* EURIBOR applicable in respect of the entire initial first Accrual Period shall be a weighted average of the rate determined pursuant to (x) and (y) equal to:

(a) the sum of:

(i) EURIBOR in respect of the period from (and including) the Issue Date to (but excluding) the First EURIBOR Period End Date (such rate determined pursuant to paragraphs (x) above) multiplied by the actual number of days from (and including) the Issue Date to (but excluding) the First EURIBOR Period End Date; and

(ii) EURIBOR in respect of the period from (and including) the First EURIBOR Period End Date to (but excluding) the first Payment Date (such rate determined as at the first Interest Determination Date pursuant to paragraph (y) above) multiplied by the actual number of days from (and

including) the First EURIBOR Period End Date to (but excluding) the first Payment Date; divided by

(b) the actual number of days from (and including) the Issue Date to (but excluding) the first Payment Date;

(2) in the case of an Accrual Period prior to the occurrence of a Frequency Switch Event, for a period of three months; and

(3) 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 January 2029, for a period of three months (as determined by the Calculation Agent),

in each case, as at 11.00 a.m. (Brussels time) on the Interest Determination Date in question. The Class A-1 Floating Rate of Interest, the Class A-2 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, and the Class E Floating Rate of Interest for such Accrual Period shall be the aggregate of the Applicable Margin (if any) and the arithmetic mean, in each case, (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of such quotations (or of such of them, being at least two, as are so provided), all as determined by the Calculation Agent.

(C) If on any Interest Determination Date one only or none of the Reference Banks provides such quotation, the Class A-1 Floating Rate of Interest, the Class A-2 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, and the Class E Floating Rate of Interest, respectively, for the next Accrual Period shall be the Class A-1 Floating Rate of Interest, the Class A-2 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, and the Class E Floating Rate of Interest in each case in effect as at the immediately preceding Accrual Period.

(D) Where:

"**Applicable Margin**" means:

(1) in the case of the Class A-1 Notes: 1.50 per cent. per annum (the "**Class A-1 Margin**");

(2) in the case of the Class A-2 Notes: 2.10 per cent. per annum;

(3) in the case of the Class B Notes: 3.15 per cent. per annum;

(4) in the case of the Class C Notes: 4.35 per cent. per annum;

(5) in the case of the Class D Notes: 6.40 per cent. per annum; and

(6) in the case of the Class E Notes: 8.65 per cent. per annum.

Notwithstanding paragraphs (A), (B) and (C) above, if in relation to any Interest Determination Date, EURIBOR in respect of any Class of Rated Notes as determined in accordance with paragraphs (A), (B) and (C) above would yield a rate less than zero, such rate shall be deemed to be zero for the purposes of determining the 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 will, as soon as practicable after 11.00 a.m. (Brussels time) on each Interest Determination Date, but in no event later than the Business Day after such date, determine the Class A-1 Floating Rate of Interest, the Class A-2 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, and the Class E Floating Rate of Interest and calculate the interest amount payable in respect of original principal amounts of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, and the Class E Notes for the relevant Accrual Period. The amount of interest (the "**Interest Amount**") payable in respect of such Notes shall be calculated by applying the Class A-1 Floating Rate of Interest in the case of the Class A-1 Notes, Class A-2 Floating Rate of Interest in the case of the Class A-2 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 and the Class E Floating Rate of Interest in the case of the Class E 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-1 Note, Class A-2 Note, Class B Note, Class C Note, Class D Note, or Class E Note remains Outstanding:

(A) a Calculation Agent shall be appointed and maintained for the purposes of determining the interest rate and interest amount payable in respect of the Notes; and

(B) in the event that the Class A-1 Floating Rate of Interest, Class A-2 Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, Class D Floating Rate of Interest, and the Class E Floating Rate of Interest are to be calculated by Reference Banks pursuant to paragraph (2) of Condition 6(e)(i) (*Floating Rate of Interest*), that the number of Reference Banks required pursuant to such paragraph (2) are selected and 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 equal to the Authorised Integral Amount 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 (DD) of the Interest Priority of Payments, paragraph (V) of the Principal Priority of Payments and paragraph (Y) of the Post-Acceleration Priority of Payments by fractions equal to the Authorised Integral Amount divided by the original principal amount of the Subordinated Notes.

(g) ***Publication of Floating Rates of Interest, Interest Amounts and Deferred Interest***

The Calculation Agent will cause the Class A-1 Floating Rate of Interest, Class A-2 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, and the Class E 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 B Notes, Class C Notes, Class D Notes or Class E Notes for each Accrual Period and Payment Date and the Principal Amount Outstanding of each Class of Notes as of the applicable Payment Date to be notified to the Registrar, the Principal Paying Agent, the Transfer Agent, the Trustee and the Collateral Manager, 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-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E 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-1 Floating Rate of Interest, the Class A-2 Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest or the 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 bad faith, gross negligence, fraud or wilful misconduct in respect of the Reference Banks or the Calculation Agent or, in the case of the Trustee, negligence, wilful default, wilful misconduct or fraud) no liability to the Issuer or the Noteholders of any Class shall attach to the Reference Banks, the Calculation Agent or the Trustee in connection with the exercise or non exercise by them of their powers, duties and discretions under this Condition 6(i) (*Notifications, etc. to be Final*).

7 REDEMPTION AND PURCHASE

(a) ***Final Redemption***

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*).

(b) ***Optional Redemption***

(i) *Optional Redemption in Whole – Subordinated Noteholders*

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices:

(A) on any Payment Date falling on or after expiry of the Non-Call Period (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) at the option of the holders of the Subordinated Notes acting by way of Ordinary Resolution (as separately evidenced by duly completed Redemption Notices delivered by those Noteholders who passed such Ordinary Resolution either by way of Written Resolution or at a duly convened meeting of the requisite Noteholders);

(B) upon the occurrence of a Collateral Tax Event, on any Payment Date falling after such occurrence (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) at the direction of the Subordinated Noteholders acting by Extraordinary Resolution (as separately evidenced by duly completed Redemption Notices delivered by those Noteholders who passed such Extraordinary Resolution either by way of Written Resolution or at a duly convened meeting of the requisite Noteholders);

(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 of any Class may be redeemed by the Issuer at the applicable Redemption Prices, solely from Refinancing Proceeds (in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below) on any Payment Date falling on or after expiry of the Non-Call Period (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) if:

(A) 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 (as separately evidenced by duly completed Redemption Notices delivered by those Noteholders who passed such Ordinary Resolution either by way of Written Resolution or at a duly convened meeting of the requisite Noteholders) approving such proposal; or

(B) the Subordinated Noteholders acting by way of Ordinary Resolution (as separately evidenced by duly completed Redemption Notices delivered by those Noteholders who passed such Ordinary Resolution either by way of Written Resolution or at a duly convened meeting of the requisite Noteholders) direct the Issuer to redeem such Class of Rated Notes.

No such Optional Redemption may occur unless the Rated Notes to be redeemed represents 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) (*Optional 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 Payment Date falling on or after expiry of the Non-Call Period (provided that, to the extent the Class A-1 Notes are no longer Outstanding the Redemption Date can occur on any Business Day) 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*) may be effected solely from Refinancing Proceeds in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below.

(v) *Optional Redemption effected in whole or in part through Refinancing*

Following receipt of, or, as the case may be, confirmation from the Principal Paying Agent of receipt of, a direction or approval in writing from the Subordinated Noteholders acting by way of Ordinary Resolution (as separately evidenced by duly completed Redemption Notices delivered by those Noteholders who passed such Ordinary Resolution either by way of Written Resolution or at a duly convened meeting of the requisite Noteholders) 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:

(1) in the case of a redemption in whole of all Classes of Rated Notes (1), enter into a loan (as borrower thereunder) with one or more financial institutions; or (2) issue replacement notes; and

(2) in the case of a redemption in part of the entire Class of a Class of Rated Notes, issue replacement notes (each, a "**Refinancing Obligation**"),

whose terms in each case will be negotiated by the 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 (as separately evidenced by duly completed Redemption Notices delivered by those Noteholders who passed such Ordinary Resolution either by way of Written Resolution or at a duly convened meeting of the requisite Noteholders) 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 Class 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 B Notes, the Class C Notes, the Class D Notes and the Class E 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; and

(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 prior to the applicable Redemption Date,

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 Class 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 amount of Interest Proceeds standing to the credit of the Interest Account in excess of the aggregate amount of Interest Proceeds which would be applied in accordance with the Interest Priority of Payments prior to paying any amount in respect of the Subordinated Notes will be at least sufficient to pay in full:

(a) the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption; plus

(b) all accrued and unpaid Trustee Fees and Expenses and Administrative Expenses in connection with such Refinancing;

(5) the Refinancing Proceeds are used (to the extent necessary) to make such redemption;

(6) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed;

(7) the aggregate principal amount of the Refinancing Obligations for each Class is equal to the aggregate Principal Amount Outstanding of such Class of Notes being redeemed with the Refinancing Proceeds;

(8) the maturity date of each class of Refinancing Obligation is the same as the Maturity Date of the Class or Classes of Notes being redeemed with the Refinancing Proceeds;

(9) the interest rate of any Refinancing Obligations will not be greater than the interest rate of the Rated Notes subject to such Optional Redemption (taking into account any discount on issuance);

(10) 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;

(11) the voting rights, consent rights, redemption rights and all other rights of the Refinancing Obligations are the same as the rights of the corresponding Class of Rated Notes being redeemed;

(12) all Refinancing Proceeds are received by (or on behalf of) the Issuer prior to the applicable Redemption Date; and

(13) unless and until the Issuer or the Collateral Manager (on behalf of the Issuer) elects (by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*)) to rely solely on the exemption under Section 3(c)(7) under the Investment Company Act and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7 following receipt by the Issuer or the Collateral Manager (on behalf of the Issuer) of a legal opinion (which shall be addressed to the Trustee) from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule and, for so long as any of the Class A-1 Notes remain Outstanding, the holders of the Class A-1 Notes, acting by way of an Ordinary Resolution, have consented thereto, the Issuer will be entitled to rely on the exclusion under Rule 3a-7 after giving effect to such Refinancing,

in each case, as confirmed to the Issuer and the Trustee by the Collateral Manager.

If, in relation to a proposed optional redemption of the Notes (in part or in whole, 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 certificate the Trustee shall be entitled to rely absolutely and without further enquiry or liability) 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.

The Trustee will not be obliged to enter into any modification that, in its reasonable 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 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) *Optional Redemption effected through Liquidation only*

Following receipt of notice from the Issuer or, as the case may be, of confirmation from the Principal Paying Agent of a direction in writing from the:

(A) Subordinated Noteholders (acting by way of Ordinary Resolution or Extraordinary Resolution, as applicable);

(B) the Controlling Class (acting by way of Extraordinary Resolution); or

(C) the Collateral Manager,

as the case may be, to exercise any right of optional redemption pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption Following a 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*).

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:

(1) 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 shall have furnished to the Trustee a certificate (upon which certificate the Trustee may rely absolutely and without further enquiry or liability) 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 (i) 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 (ii) either (x) has a long-term issuer credit rating of at least "A" by S&P or, if it does not have a long-term issuer credit rating by S&P, a short-term issuer credit rating of "A-1" by S&P, or (y) in respect of which a Rating Agency Confirmation from S&P has been obtained) to purchase (directly or by participation or other arrangement) from the Issuer, not later than two Business Days prior to the scheduled Redemption Date (or such shorter date 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;

(2) at least two Business Days before the scheduled Redemption Date (or such shorter date as agreed between the Collateral Manager and the Trustee), the Issuer shall have 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

(3) 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 (i) expected proceeds from the sale or maturing of Eligible Investments, (ii) for each Collateral Obligation, the product of its Principal Balance and its Market Value and (iii) (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 meet or exceed the Redemption Threshold Amount.

Any certification delivered by the Collateral Manager pursuant to this Condition 7(b)(vi) must include:

(a) 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;

(b) 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

(c) all calculations required by this Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption Following a 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).

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).

If any of the conditions (1) to (3) 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 a Note Tax Event*) shall be effected by Ordinary Resolution or Extraordinary Resolution (as applicable) passed by way of Written Resolution or at a duly convened meeting of the requisite Noteholders (as separately evidenced by delivery to the Principal Paying Agent by the requisite amount of Subordinated Noteholders or holders of the requisite amount of Notes comprising the Controlling Class (as applicable) who passed such resolution (in respect of which such right is exercised by presenting such Definitive Certificate or Global Certificate for endorsement of exercise) 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) 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. 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

whole of a Class of Rated Notes the relevant Refinancing Proceeds (other than a redemption in whole of all Classes of Rated Notes) shall be paid to the Noteholders of such Class 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 using proceeds available pursuant to the Priorities of Payments, 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 (x) the Subordinated Noteholders acting by way of Ordinary Resolution (as separately evidenced by duly completed Redemption Notices delivered by those Noteholders who passed such Ordinary Resolution either by way of Written Resolution or at a duly convened meeting of the requisite Noteholders) or (y) the Collateral Manager subject to the consent of the Subordinated Noteholders acting by way of Ordinary Resolution (as separately evidenced by duly completed Redemption Notices delivered by those Noteholders who passed such Ordinary Resolution either by way of Written Resolution or at a duly convened meeting of the requisite Noteholders).

(c) ***Mandatory Redemption upon Breach of Coverage Tests or the Post-Reinvestment Period Par Value Test***

(i) *Class A Notes*

If the Class A Par Value Test is not satisfied on any Determination Date on or after the Effective Date and/or if the Class A Interest Coverage Test is not satisfied on any Determination Date on or after the Determination Date immediately preceding the second Payment Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A-1 Notes and the Class A-2 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 (as applicable) if recalculated following such redemption.

(ii) *Class B Notes*

If the Class B Par Value Test is not satisfied on any Determination Date on or after the Effective Date and/or if the Class B Interest Coverage Test is not satisfied on any Determination Date on or after the Determination Date immediately preceding the second Payment Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A-1 Notes, the Class A-2 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 (as applicable) if recalculated immediately following such redemption.

(iii) *Class C Notes*

If the Class C Par Value Test is not satisfied on any Determination Date on or after the Effective Date and/or if the Class C Interest Coverage Test is not satisfied on any Determination Date on or after the Determination Date immediately preceding the second Payment Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A-1 Notes, the Class A-2 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 (as applicable) if recalculated immediately following such redemption.

(iv) *Class D Notes*

If the Class D Par Value Test is not satisfied on any Determination Date on or after the Effective Date and/or if the Class D Interest Coverage Test is not satisfied on any Determination Date on or after the Determination Date immediately preceding the second

Payment Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A-1 Notes, the Class A-2 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 (as applicable) if recalculated immediately following such redemption.

(v) *Post-Reinvestment Period Par Value Test*

If the Post-Reinvestment Period Par Value Test is not met on any Determination Date after the expiry of the Reinvestment Period, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until the Post-Reinvestment Period Par Value Test is satisfied if recalculated following such redemption.

(d) ***Special Redemption***

Principal payments on the Notes shall be made in accordance with the Principal 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 conclusively and without further enquiry or liability) to the Trustee that, using commercially reasonable endeavours, it has been unable, for a period of 20 consecutive Business Days, to identify additional Collateral Obligations or 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 and the Trading Requirements (so long as they are applicable), in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account that are to be invested in additional Collateral Obligations or 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 additional Collateral Obligations or Substitute Collateral Obligations by the Collateral Manager (a "**Special Redemption Amount**") will be applied in accordance with paragraph (Q) 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 the Noteholders 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 Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, the Rated Notes shall be redeemed in accordance with the Note Payment Sequence on such Payment Date and thereafter on each Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of 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, provided that, if the net proceeds from the sale of the whole Portfolio and the liquidation and/or sale of all other remaining valuable Collateral are less than the aggregate amount payable by the Issuer in respect of the Notes and to the other Secured Parties, Condition 4(c) (*Limited Recourse*) may be applied by the Issuer to extinguish the obligations of the Issuer to pay any further amounts in respect of the Notes and the Issuer shall not be obligated to pay any shortfall, which

will be borne by the Secured Parties in accordance with the Priorities of Payments (applied in reverse order).

(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 endeavours 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:

(i) the date upon which the Issuer certifies (upon which certification the Trustee may rely conclusively and without further enquiry or liability) to the Trustee that it is not able to effect such steps; and

(ii) 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 effected such steps 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 (as separately evidenced by duly completed Redemption Notices delivered by those Noteholders who passed such Extraordinary Resolution either by way of Written Resolution or at a duly convened meeting of the requisite Noteholders), may elect that the Notes of each Class are redeemed, in whole but not in part, on any Business Day thereafter, at their respective Redemption Prices in accordance with the Note Payment Sequence, in which case the Issuer shall so redeem the Notes on such terms, provided that such Note Tax Event would affect payment of principal or interest in respect of the Controlling Class or, as the case may be, the Subordinated Notes (in addition to any other Class of Notes) on such Business Day; provided further that such redemption of the Notes, whether pursuant to the exercise of such option by the Controlling Class or the Subordinated Noteholders, shall take place in accordance with the procedures set out in Condition 7(b)(vi) (*Optional 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*).

(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, 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 the Issuer may, subject to the conditions below, purchase any of the Rated Notes (in whole or in part), using Principal Proceeds standing to the credit of the Principal Account (other than Sale Proceeds in respect of the sale of Credit Improved Obligations or Interest Proceeds paid into the Principal Account pursuant to paragraph (W) of the Interest Priority of Payments), amounts standing to the credit of the Supplemental Reserve Account, any Deferred Senior Collateral Management Amounts or Deferred Subordinated Collateral Management Amounts or the proceeds from the issuance of additional Subordinated Notes.

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:

(A) *first*, the Class A-1 Notes, until the Class A-1 Notes are purchased or redeemed in full and cancelled;

(B) *second*, the Class A-2 Notes, until the Class A-2 Notes are purchased or redeemed in full and cancelled;

(C) *third*, the Class B Notes, until the Class B Notes are purchased or redeemed in full and cancelled;

(D) *fourth*, the Class C Notes, until the Class C Notes are purchased or redeemed in full and cancelled;

(E) *fifth*, the Class D Notes, until the Class D Notes are purchased or redeemed in full and cancelled; and

(F) *sixth*, the Class E Notes, until the Class E 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) each such purchase of Rated Notes shall occur prior to the expiry of the Reinvestment Period;

(v) each Coverage Test is satisfied immediately prior to each such purchase and will be satisfied after giving effect to such purchase or, if any Coverage Test is not satisfied it shall be at least maintained or improved after giving effect to such purchase compared with what it was immediately prior thereto;

(vi) if Sale Proceeds are used to consummate any such purchase, either:

(A) each requirement or test, as the case may be, of the Portfolio Profile Tests and the Collateral Quality Test (other than the S&P CDO Monitor Test) will be satisfied after giving effect to such purchase; or

(B) if any requirement or test, as the case may be, of the Portfolio Profile Tests and the Collateral Quality Test (other than the S&P CDO Monitor Test) was not satisfied immediately prior to such purchase, such requirement or test will be maintained or improved after giving effect to such purchase;

(vii) no Event of Default shall have occurred and be continuing;

(viii) no such purchase will result in a Retention Deficiency occurring;

(ix) any Rated Notes to be purchased shall be surrendered to the Registrar for cancellation and may not be reissued or resold;

(x) each Rating Agency is notified of such purchase; and

(xi) each such purchase will otherwise be conducted in accordance with applicable law (including the laws of Ireland).

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:

(i) a Principal Paying Agent provided always that, so long as the Notes of any Class may be held in the form of Definitive Certificates such additional or successor paying agent is not in Ireland for the purposes of Chapter 2 of Part 4 of the TCA; and

(ii) a paying agent and a transfer agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive or any arrangement entered into between the EU member states and certain third countries and territories in connection with such Directive,

in each case, as approved in writing by the Trustee and shall procure that it shall at all times maintain a Registrar, Custodian, Account Bank, Calculation Agent, 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 Ireland 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 made to Noteholders of any Class and shall withhold or deduct from any such payments any amounts on account of such tax where so required by law (including FATCA) or any such relevant taxing authority. Any 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 FATCA. 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 conclusively and 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 Ireland 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, and the Issuer has not been able to take steps to avoid the same pursuant to Condition 7(g) (*Redemption Following Note Tax Event*), 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, subject to the satisfaction of the conditions set out in Clause 20.2 (*Conditions of Substitution*) of the Trust Deed, as the principal obligor under the Notes of such Class, subject to receipt of Rating Agency Confirmation in relation to such substitution, provided that the Trustee's approval shall be subject to confirmation of tax counsel (at the cost of the Issuer) that such a substitution 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 Ireland (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 Ireland 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;

(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 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-1 Notes or the Class A-2 Notes, when the same becomes due and payable and, in each case, failure to pay such interest in such circumstances 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; 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 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, 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, the Collateral Administrator, Euroclear or Clearstream, Luxembourg, as the case may be, such failure continues for ten 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;

(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-1 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, Reinvestment Par Value Test or Post-Reinvestment Period 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, 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, examinership, insolvency, bankruptcy, composition, reorganisation or other similar laws (together, "**Insolvency Law**"), or a receiver, administrative receiver, trustee, administrator, custodian, conservator, liquidator, examiner, 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 Ordinary Resolution, (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) give notice to the Issuer, the Hedge Counterparties 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*) following the occurrence of an Event of Default and prior to enforcement of the security pursuant to Condition 11 (*Enforcement*), the Trustee, subject to receipt of consent 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 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 Ordinary Resolution, (subject, in each case, as provided in this Condition 11(b)(ii) (*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 subject to consultation by the Trustee or such agent or appointee with the Collateral Manager 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 being an "**Enforcement Threshold Determination**") and the Controlling Class agrees with such determination by an Ordinary Resolution (in which case the Enforcement Threshold will be met); or

(B) subject to paragraph (ii) below, if the Enforcement Threshold will not have been met then, in the case of an Event of Default specified in sub-paragraph (i), (ii), (iv) or (vi) of Condition 10(a) (*Events of Default*), the Controlling Class directs the Trustee by Ordinary 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;

(ii) the Trustee shall not be bound to institute any Enforcement Action or take any other action unless it is directed to do so by the Controlling Class acting by Ordinary Resolution and 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 Rated 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 in good faith (without liability or further enquiry) 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 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 a Note Tax Event*), Interest Proceeds, Principal Proceeds and the net proceeds of enforcement of the security over the Collateral (other than with respect to any Counterparty Downgrade Collateral 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*)) 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 Irish corporate income tax in relation 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 payable in respect of any Collateral Management Fee or any other tax payable in relation to any amount payable to the Secured Parties); and to the payment of the Issuer Profit Amount, for deposit into the Issuer Irish Account from time to time;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses up to an amount equal to the Senior Expenses Cap in respect of the related Due Period, provided that upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*), 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 to the extent necessary to allow the Issuer to be wound up on a solvent basis (but only to such extent);

(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 and any value added tax in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority) save for any Deferred Senior Collateral Management Amounts; and

(2) *secondly*, to the Collateral Manager, any previously due and unpaid Senior Management Fees (other than Deferred Senior Collateral Management Amounts) and any value added tax in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority);

(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* basis of all Interest Amounts due and payable on the Class A-1 Notes;

(G) to the redemption on a *pro rata* basis of the Class A-1 Notes, until the Class A-1 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 A-2 Notes;

(I) to the redemption on a *pro rata* basis of the Class A-2 Notes, until the Class A-2 Notes have been redeemed in full;

(J) to the payment on a *pro rata* basis of the Interest Amounts (including any Deferred Interest and interest on Deferred Interest) due and payable on the Class B Notes;

(K) to the redemption on a *pro rata* basis of the Class B Notes, until the Class B Notes have been redeemed in full;

(L) 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;

(M) to the payment on a *pro rata* basis of any Deferred Interest on the Class C Notes;

(N) to the redemption on a *pro rata* basis of the Class C Notes, until the Class C Notes have been redeemed in full;

(O) 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;

(P) to the payment on a *pro rata* basis of any Deferred Interest on the Class D Notes;

(Q) to the redemption on a *pro rata* basis of the Class D Notes, until the Class D Notes have been redeemed in full;

(R) 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;

(S) to the payment on a *pro rata* basis of any Deferred Interest on the Class E Notes;

(T) to the redemption on a *pro rata* basis of the Class E Notes, until the Class E Notes have been redeemed in full;

(U) to the payment:

(1) *firstly*, to the Collateral Manager of the Subordinated Management Fee due and payable on such Payment Date and any value added tax in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority) save for any Deferred Subordinated Collateral Management Accounts;

(2) *secondly*, to the Collateral Manager of any previously due and unpaid Subordinated Management Fee (other than Deferred Subordinated Collateral Management Amounts) and any value added tax in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(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;

(V) to the payment of Trustee Fees and Expenses and Administrative Expenses not paid by reason of the Senior Expenses Cap (if any), in relation to each item thereof, on a *pro rata* basis;

(W) 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);

(X) 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 (Y) below), to the payment to the Collateral Manager of up to 30 per cent. of any remaining proceeds (after any payment required to satisfy the Incentive Collateral Management Fee IRR Threshold) in payment of any accrued but unpaid Incentive Collateral Management Fee; and

(Y) 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).

(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 notice of such failure and such failure or neglect continues for at least 30 days following receipt of such notice by the Trustee. After realisation of the security which has become enforceable and distribution of the net proceeds in accordance with the Priorities of 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) 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 or Written Resolution, in each case, either acting together (subject as provided in paragraph (viii) 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, 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 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.

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 S&P 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.

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	One or more persons holding or representing not less than	One or more persons holding or representing not less than

Class or Classes only)	66²/³ per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)	25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)
Ordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)	One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)

The Trust Deed does not contain any provision for higher quorums in any circumstances.

(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 which are voted or, (B) in the case of any Written Resolution, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes entitled to be voted in respect of such Resolution and which are voted in favour thereof represent of the aggregate Principal Amount Outstanding of all the Notes entitled to vote in respect of such Written Resolution.

Minimum Percentage Voting Requirements

Type of Resolution	Per cent.
Extraordinary Resolution of all Noteholders (or of a certain Class or Classes only)	At least 66²/³ per cent.
Ordinary Resolution of all Noteholders (or of a certain Class or Classes only)	More than 50 per cent.

(iv) *Written Resolutions*

Any Written Resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Noteholders and the date of such Written Resolution shall be the date on which the latest such document is signed. Any Extraordinary Resolution or Ordinary Resolution may be passed by way of a Written Resolution.

(v) *All Resolutions Binding*

Subject to Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*) and in accordance with the Trust Deed, any Resolution of the Noteholders (including any resolution of a specified Class or Classes of Noteholders, where the resolution of one or more other Classes is not required) duly passed shall be binding on all Noteholders (regardless of Class and regardless of whether or not a Noteholder was present at the meeting at which such Resolution was passed).

(vi) *Extraordinary Resolution*

Any Resolution to sanction any of the following items (each a "**Basic Terms Modification**") 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):

(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) any item expressly requiring an Extraordinary Resolution pursuant to Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*), Condition 7(g) (*Redemption Following Note Tax Event*), Condition 10(a)(vi) (*Events of Default – Insolvency Proceedings*), Condition 10(c) (*Curing of Event of Default*), Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*) and Condition 15 (*Indemnification of the Trustee*);

(D) 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;

(E) the modification of any provision relating to the timing and/or circumstances of the payment of interest or redemption of the Notes of a Class at maturity or otherwise (including the circumstances in which the maturity of such Notes may be accelerated);

(F) 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;

(G) 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*);

(H) a change in the currency of payment of the Notes of a Class;

(I) any change in the Priorities of Payments or of any payment items in the Priorities of Payments;

(J) the modification of the provisions concerning the quorum required at any meeting of Noteholders or the minimum percentage required to pass a Resolution; and

(K) any modification of schedule 5 (*Provisions for Meetings of the Noteholders of each Class*) of the Trust Deed or this Condition 14(b)(vi) (*Extraordinary Resolution*).

(vii) *Ordinary Resolution*

Any meeting of the Noteholders shall (in each case, subject to these Conditions, 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 paragraph (vi) (*Extraordinary Resolution*) above.

(viii) *Resolutions affecting Other Classes*

If and for so long as any Notes of more than one Class are Outstanding, in relation to any Meeting of Noteholders:

(A) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects only the Notes of a Class or Classes (the "**Affected Class(es)**"), but not another Class or Classes, as the case may be, shall be duly passed if passed at a meeting or meetings of the holders of the Notes of the Affected Class(es) or by Written Resolution 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 separate meetings of the Noteholders of each Class or by separate Written Resolutions 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 either at a meeting of the Controlling Class or by Written 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 shall be passed if passed either at a meeting of the Subordinated Noteholders or by Written Resolution and such resolution shall be binding on all of the Noteholders.

(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 set out below), 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 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, subject as provided below (other than in the case of an amendment, modification, supplement or waiver, pursuant to paragraphs (xi) or (xiii) 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 (other than, in each case (with the exception of paragraphs (xi) and (xiii) below), any such amendment, modification, supplement and/or waiver that has the effect of sanctioning a Basic Terms Modification):

(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;

(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 or as trading in any jurisdiction other than Ireland, from being subject to diverted profit tax or from being subject to any value added tax in any jurisdiction 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) without prejudice to the restriction in clause 10.17(m) (*Restrictions*) of the Trust Deed, to enter into any additional agreements not expressly prohibited by the Trust Deed or the Collateral Management and Administration Agreement (as applicable);

(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, subject, for so long as any of the Class A-1 Notes remain Outstanding, to the consent of the Class A-1 Noteholders (acting by Ordinary Resolution) to such modification;

(xii) subject to Rating Agency Confirmation and the consent of the Controlling Class acting by Ordinary Resolution to make any modifications to the Collateral Quality Tests, Portfolio Profile Tests, Reinvestment Criteria or Eligibility Criteria and all related definitions (including in order to reflect changes made in the methodology applied by the Rating Agencies), except to the extent such modifications relate to matters in paragraphs (xvii), (xx) or (xxxi) below;

(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, subject, for so long as any of the Class A-1 Notes remain Outstanding, to the consent of the Class A-1 Noteholders (acting by Ordinary Resolution) to such modification;

(xiv) to amend the name of the Issuer;

(xv) to amend its Constitution for the sole purpose of amending its name;

(xvi) to make any amendments to the Trust Deed or any other Transaction Document to enable the Issuer to comply with FATCA;

(xvii) to modify or amend any components of the S&P Matrix or the Moody's Test Matrix in order that they may be consistent with the criteria of the Rating Agencies, 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 S&P or Moody's, as applicable and further subject, for so long as any of the Class A-1 Notes remain Outstanding, to the holders of the Class A-1 Notes not objecting (by way of Ordinary Resolution) to such modification within 25 Business Days of the Issuer proposing it to the Class A-1 Noteholders (in accordance with Condition 16 (*Notices*));

(xviii) 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*);

(xix) to modify the Transaction Documents in order to comply with Rule 17g-5 or Rule 17g-10;

(xx) 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 any Class of Notes, subject to receipt by the Trustee of Rating Agency Confirmation (or such other confirmation as the relevant Rating Agency is willing to provide from time to time that such modifications will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency) 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 liability) and further subject, for so long as any of the Class A-1 Notes remain Outstanding, to the holders of the Class A-1 Notes not objecting (by way of Ordinary Resolution) to such modification within 25 Business Days of the Issuer proposing it to the Class A-1 Noteholders (in accordance with Condition 16 (*Notices*));

(xxi) 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 the corresponding retention requirements under the UCITS Directive or the STS Regulation (if applicable);

(xxii) to make such changes as shall be necessary to facilitate the Issuer to effect a Refinancing in part in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xxiii) to make 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;

(xxiv) subject to certification of the necessity of such amendment by the Issuer to the Trustee (upon which certificate the Trustee shall be entitled to rely absolutely and without further enquiry or liability), to modify the Transaction Documents in order to comply with EMIR, the CRA Regulation (and any implementing and/or delegated regulation, technical standards or guidance relating thereto), the AIFMD, the Dodd-Frank Act (and any implementing and/or delegated regulation, technical standards or guidance relating thereto) (provided that any modification made in relation to compliance with the Volcker Rule shall require, for so long as any of the Class A-1 Notes remain Outstanding, the consent of the holders of the Class A-1 Notes acting by way of Ordinary Resolution) and/or the STS Regulation;

(xxv) 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;

(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 make any change necessary to enable the Issuer to rely on the exclusion provided in Rule 3a-7 thereunder subject, for so long as any of the Class A-1 Notes remain Outstanding, to the holders of the Class A-1 Notes not objecting (by way of Ordinary Resolution) to such modification within 25 Business Days of the Issuer proposing it to the Class A-1 Noteholders (in accordance with Condition 16 (*Notices*));

(xxviii) to make any modification or amendment determined by the Issuer, as advised by the Collateral Manager, (in consultation with legal counsel experienced in such matters) as necessary or advisable for any Class of Rated Notes to not be considered an "ownership interest" as defined for purposes of section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder, provided that such modification or amendment would not, in the opinion of the Issuer, be materially prejudicial to the interests of the Noteholders of any Class and subject, for so long as any of the Class A-1 Notes remain Outstanding, to the consent of the holders of the Class A-1 Notes acting by way of Ordinary Resolution;

(xxix) 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;

(xxx) to change the date within the month on which reports are required to be delivered;

(xxxi) notwithstanding any other provision of this Condition 14(c) (*Modification and Waiver*), if S&P, or Moody's (as applicable) publicly announce a change in the S&P Recovery Rates, Moody's Recovery Rates or Moody's Rating Factors (as applicable), to amend or modify such recovery rates or rating factors in the Transaction Documents at the discretion of the Collateral Manager, subject, for so long as any of the Class A-1 Notes remain Outstanding, to the holders of the Class A-1 Notes not objecting (by way of Ordinary Resolution) to such modification within 25 Business Days of the Issuer proposing it to the Class A-1 Noteholders (in accordance with Condition 16 (*Notices*));

(xxxii) if, following the Issue Date, the Collateral Manager reasonably determines (based on guidance provided by the EBA or a legal opinion from legal counsel of reputable standing) that:

(A) Eligible Investments may be excluded for the purposes of the calculation in Article 3(4)(b) of the European Commission Delegated Regulation (EU) No 625/2014 of 13 March 2014 supplementing the CRR; and/or

(B) the calculation in Article 3(4)(b) of the European Commission Delegated Regulation (EU) No 625/2014 of 13 March 2014 supplementing the CRR is only applicable on the date on which a programme or securitisation scheme is established and not on an ongoing basis through the life of the programme or securitisation scheme,

to amend the definition of Originator Requirement and any references to the Originator Requirement in the Conditions or any Transaction Document as described in the proviso to the definition thereof;

(xxxiii) if the initial S&P Matrix and/or Moody's Test Matrix are not received prior to the Issue Date, to amend any Transaction Document to update or add the initial S&P Matrix and/or Moody's Test Matrix when received or notified of the same by the Rating Agencies;

(xxxiv) to make any other modification of any of the provisions of any Transaction Document to facilitate compliance by the Issuer with the FTT or any other financial transaction tax that it is or becomes subject to; and

(xxxv) to conform the provisions of the Trust Deed or any other Transaction Documents or other document delivered in connection with the Notes to the Offering Circular.

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 without the prior written consent of each Hedge Counterparty if such change would have a material adverse effect on the rights or obligations of such Hedge Counterparty.

To the extent required pursuant to a Hedge Agreement, the Issuer shall notify each Hedge Counterparty of any proposed amendment to any provisions of the Transaction Documents and seek the consent of such Hedge Counterparty in respect thereof, in each case to the extent required in accordance with and subject to the terms of the relevant Hedge Agreement. For the avoidance of doubt, such notice shall only be given and such consent shall only be sought to the extent required above or in accordance with and subject to the terms of the relevant Hedge Agreement. If a Hedge Agreement allows a certain period for the relevant Hedge Counterparty to consider and respond to such a consent request, during such period and pending a response from the relevant Hedge Counterparty, the Issuer shall not make any such proposed amendment (provided that, if no Hedge Transaction is outstanding with the relevant Hedge Counterparty, without prejudice to the Issuer's obligations to notify the relevant Hedge Counterparty of any such proposed amendment, the Issuer may proceed to make any such proposed amendment regardless of any provisions requiring consent of the Hedge Counterparty to amendments under the relevant Hedge Agreement). For the avoidance of doubt, the Issuer may make such proposed amendment if any timeframe specified in the relevant Hedge Agreement for such Hedge Counterparty to provide their consent to the relevant proposed amendment has lapsed.

In addition, the Issuer shall not agree to amend, modify or supplement any provisions in 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 Collateral Manager without the Collateral Manager's consent in writing.

For the avoidance of doubt, the Trustee shall, without the consent or sanction of any of the Noteholders (other than as otherwise provided in paragraphs (xi), (xii), (xiii), (xvii), (xx), (xxiv), (xxvii), (xxviii) and (xxxi) above and subject to any required non-objections specified in the paragraphs 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 conclusively and without further enquiry or liability) is required pursuant to the paragraphs above (other than a modification, waiver or authorisation pursuant to paragraph (xi) or (xiii) 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:

(1) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction; or

(2) adding to or increasing the obligations, liabilities or duties, or decreasing the rights, 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 paragraph (xi) or (xiii) 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.

(d) ***Substitution***

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require (without the consent of the Noteholders of any Class), to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes of each Class, if required for taxation purposes, provided that such substitution would not, in the opinion of the Trustee, be materially prejudicial to the interests of the Noteholders of any Class. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, but subject to receipt of Rating Agency Confirmation (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*).

In addition the Trustee may (but shall not be obliged to), without the consent of the Noteholders, agree to a change in the place of residence of the Issuer for taxation purposes subject to receipt of Rating Agency Confirmation in relation thereto and 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-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes, the interests of the holders of the Controlling Class will prevail. If the holders of the Controlling Class do not have an interest in the outcome of the conflict, the Trustee shall give priority to the interests of:

(i) the Class A-1 Noteholders over the Class A-2 Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Subordinated Noteholders;

(ii) the Class A-2 Noteholders over the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Subordinated Noteholders;

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

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

(v) the Class D Noteholders over the Class E Noteholders and the Subordinated Noteholders; and

(vi) the Class E Noteholders over the Subordinated Noteholders.

If the Trustee receives conflicting or inconsistent requests from two or more groups of holders of a Class, given priority as described in this paragraph, each representing less than the majority by principal amount of such Class, the Trustee shall give priority to the group which holds the greater

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.

15 INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility in certain circumstances, including provisions relieving it from instituting proceedings to enforce repayment or to enforce the security constituted by or pursuant to the Trust Deed, unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer or any other party to any Transaction Document and any entity related to the Issuer or any other party to any Transaction Document without accounting for any profit. The Trustee is exempted from any liability in respect of any loss or theft of the Collateral from any obligation to insure, or to monitor the provisions of any insurance arrangements in respect of, the Collateral (for the avoidance of doubt, under the Trust Deed the Trustee is under no such obligation) and from any claim arising from the fact that the Collateral is held by the Custodian or is otherwise held in safe custody by a bank or other custodian. The Trustee shall not be responsible for the performance by the Custodian of any of its duties under the Agency and Account Bank Agreement or 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:

(i) in the case of inland mail three days after the date of dispatch thereof;

(ii) in the case of overseas mail, seven days after the dispatch thereof or;

(iii) 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, subject (other than in the case of an issuance of Subordinated Notes required in order to cure or prevent a Retention Deficiency, where the approval of the Subordinated Noteholders shall not be required) to the approval of the Subordinated Noteholders and, in the case of the issuance of additional Class A-1 Notes, subject to the approval of the Controlling Class, in each case acting by Ordinary Resolution, create and issue further Notes having the same terms and conditions as existing Classes of Notes (subject as provided below) and which shall be consolidated and form a single series with the Outstanding Notes of such Class (unless otherwise provided), and will use the proceeds of sale thereof to purchase additional Collateral Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Obligations, provided that the following conditions are satisfied:

(i) such additional issuances in relation to the applicable Class of Notes may not exceed 100 per cent. in the aggregate of the original aggregate principal amount of such Class of Notes;

(ii) such additional Notes must be issued for a cash sale price and the net proceeds invested in Collateral 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 such additional 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) each Coverage Test will be satisfied immediately after giving effect to such additional issuance of Notes or, if any Coverage Test will not be satisfied it shall be at least maintained or improved after giving effect to such additional issuance of Notes compared with what it was immediately prior thereto;

(vi) the holders of the relevant Class of Notes in respect of which further Notes are issued shall have been notified in writing by the Issuer 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; *provided that* this paragraph shall not apply to any additional issuance of Subordinated Notes if such issuance is required in order to prevent or cure a Retention Deficiency for any reason including, but not limited to, where such Retention Deficiency will occur due to an additional issuance of any Class of Notes;

(vii) (so long as the existing Notes of the 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 requires);

(viii) such additional issuances are in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer;

(ix) an opinion of tax counsel of nationally recognised standing in the United States experienced in such matters will be delivered to the effect that (A) such additional issuance will not cause the opinion delivered on the Issue Date by Weil, Gotshal & Manges LLP with respect to the characterisation of the Class A Notes, Class B Notes, Class C Notes, and Class D Notes as indebtedness for U.S. federal income tax purposes to be incorrect, and (B) any additional Class A Notes, Class B Notes, or Class C Notes will be treated, and any additional Class D Notes should be treated, as indebtedness for U.S. federal income tax purposes; provided, however, that the opinion of tax counsel described in (ix)(B) will not be required with respect to any additional Notes that bear a different ISIN (or other identifier) from the Notes of the same Class that were issued on the Issue Date and are Outstanding at the time of the additional issuance; and provided further, however, that any issuance of additional Notes that are not fungible for U.S. federal income tax purposes with existing Notes shall have a different ISIN (or other identifier);

(x) to the extent such additional issuance would cause a Retention Deficiency, BGCF agrees to purchase and hold, pursuant to the terms of the Retention Undertaking Letter, sufficient additional Subordinated Notes such that, after giving effect to the additional issuance and after the receipt by the Issuer of the proceeds thereof into the Unused Proceeds Account or the Principal Account (as applicable), BGCF shall hold Subordinated Notes with a Principal Amount Outstanding sufficient to ensure that a Retention Deficiency shall not occur following such additional issuance;

(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 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); and

(xii) an opinion of counsel has been delivered to the Issuer and the Trustee (and addressed to the Trustee) confirming that neither the Issuer nor the Portfolio will be required to register under the Investment Company Act as a result of such additional issuance.

(b) The Issuer may also 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 additional Subordinated Notes are identical to the terms of the previously issued Subordinated Notes;

(ii) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such additional Subordinated Notes must be identical to the terms of the previously issued Subordinated Notes;

(iii) such additional Subordinated Notes are issued for a cash subscription price, and the net proceeds are (a) invested in Collateral Obligations, Eligible Investments, Collateral Enhancement Obligations or for other Permitted Uses or, pending such application, deposited in, the Supplemental Reserve Account and invested in Eligible Investments, provided that the Issuer or the Collateral Manager (acting on behalf of the Issuer) shall not be enter into any binding commitments to purchase Collateral Obligations with such proceeds, until such

proceeds have been deposited into the Unused Proceeds Account or the Principal Account (as applicable) or (b) paid into the Interest Account and used to make payments on any Payment Date in accordance with the Priorities of Payments;

(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 30 days prior to such issuance and shall have been afforded the opportunity to purchase additional Subordinated Notes in an amount equal to the Anti Dilution Percentage of such additional Subordinated Notes and on the same terms offered to investors generally; *provided that* this paragraph shall not apply if such additional issuance is required in order to prevent or cure a Retention Deficiency for any reason including, but not limited to, where such Retention Deficiency will occur due to an additional issuance of any Class of Notes;

(vi) such additional issuance is in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer;

(vii) to the extent such additional issuance would cause a Retention Deficiency, BGCF agrees to purchase and hold, pursuant to the terms of the Retention Undertaking Letter, sufficient additional Subordinated Notes such that, after giving effect to the additional issuance and after the receipt by the Issuer of the proceeds thereof into the Unused Proceeds Account or the Principal Account (as applicable), BGCF shall hold Subordinated Notes with a Principal Amount Outstanding sufficient to ensure that a Retention Deficiency shall not occur following such additional issuance; and

(viii) an opinion of counsel has been delivered to the Issuer and the Trustee (and addressed to the Trustee) confirming that neither the Issuer nor the Portfolio will be required to register under the Investment Company Act as a result of such additional issuance.

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. The Corporate Services Agreement is governed by and shall be construed in accordance with Irish law.

(b) *Jurisdiction*

The courts of England are to have jurisdiction to settle any disputes (whether contractual or non-contractual) which may arise out of or in connection with the Notes, and accordingly any legal action or proceedings arising out of or in connection with the Notes ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for

the benefit of each of the Noteholders and the Trustee and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) ***Agent for Service of Process***

The Issuer appoints Intertrust (UK) Limited (having an office, at the date hereof, at 11 Old Jewry, London EC2R 8DU) 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 and expenses (including the deposit of funds in the Expense Reserve Account for payment of fees and expenses) payable on or about the Issue Date are expected to be approximately €548,425,000. Such estimated net proceeds will be:

(a) used to fund the First Period Reserve Account in an amount equal to €2,000,000; and

(b) deposited into the Collection Account and transferred to the Unused Proceeds Account to be utilised (together with the amounts credited to the First Period Reserve Account) to fund the acquisition of:

(i) the Issue Date BGCF Assets complying with the Eligibility Criteria (whether acquired by way of Participations or otherwise) purchased prior to the Issue Date; and

(ii) Collateral Obligations complying with the Eligibility Criteria and the other requirements of the Collateral Management and Administration Agreement purchased by the Issuer during the Initial Investment Period.

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 D Notes, the Class E 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 person whom the seller reasonably believes (a) to be a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, or (b) to be a person who takes delivery in the form of an interest in a Rule 144A Global Certificate. See "*Transfer Restrictions*".

The Rule 144A Notes of each Class (other than, in certain circumstances, the Class D Notes, the Class E 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 (other than the Initial Purchaser) in: (a) any Subordinated Notes in the form of Rule 144A Notes or (b) any Subordinated Notes in the form of Regulation S Notes, purchased on the Issue Date will be required to enter into a subscription agreement with the Initial Purchaser in which such investor will certify as to, among other matters, its status under the Securities Act, the Investment Company Act and ERISA. Each initial investor and each transferee of a Class D Note, Class E Note or a Subordinated Note, or any interest in such a Note, shall be deemed to represent (among other things) that it is not a Benefit Plan Investor or acting on behalf of a Benefit Plan Investor and, other than BGCF and the Collateral Manager provided they have given an ERISA certificate (substantially in the form of Annex A to this Offering Circular) to the Issuer, that it is not, and is not acting on behalf of, a Controlling Person. However, notwithstanding the foregoing, if such investor or transferee is a Controlling Person or a Benefit Plan Investor or acting on behalf of Controlling Person or a Benefit Plan Investor, it may acquire such Class D Note, Class E Note or Subordinated Note in the form of a Definitive Certificate provided it: (i) obtains the written consent of the Issuer, and (ii) (A) represents in an ERISA certificate (substantially in the form of Annex A to this Offering Circular) to the Issuer whether or not, for so long as it holds such Class D Note, Class E Note or Subordinated Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (B) represents in an ERISA certificate (substantially in the form of Annex A to this Offering Circular) to the Issuer whether or not, for so long as it holds such Class D Note, Class E 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, its acquisition, holding and disposition of such Class D Note, Class E 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 (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 D Note, Class E Note or Subordinated Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Class D Note, Class E Note or Subordinated Note will not constitute or result in a non-exempt violation of any Similar Law, and (iii) will agree to certain transfer restrictions regarding its interest in such Class D Notes, Class E Notes or Subordinated Notes. Notwithstanding the foregoing, in all events, BGCF and the Collateral Manager, provided they have given an ERISA certificate (substantially in the form of Annex A to this Offering Circular) to the Issuer, may hold Class D Notes, Class E Notes or Subordinated Notes (as applicable) in the form of Definitive Certificates, Regulation S Global Certificates or Rule 144A Global Certificates, regardless of whether it is a Controlling Person, or a Benefit Plan Investor or acting on behalf of a Controlling Person or a Benefit Plan Investor for the purposes of ERISA. Any Class D Note, Class E Note or Subordinated Note in the form of a Definitive Certificate shall be registered in the name of the holder thereof. However, no proposed purchase or transfer of Class D Notes, Class E Notes or Subordinated Notes (or interests therein) in any form will be permitted or recognised if the purchase or the transfer to a transferee will cause 25 per cent. or more of the total value of the Class D Notes, Class E Notes or Subordinated Notes (determined separately by class) to be held by Benefit Plan Investors, disregarding Class D Notes, Class E Notes or Subordinated Notes (or interests therein) held by Controlling Persons as determined under ERISA and applicable U.S. Department of Labor regulations.

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 D Notes, Class E Notes or Subordinated Notes may be exchangeable for interests in a Definitive Certificate representing the Class D Notes, Class E Notes or Subordinated Note 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 Annex A to this Offering Circular.

No proposed exchange of Class D Notes, Class E Notes or Subordinated Notes (or interests therein) will be permitted or recognised if such exchange will cause 25 per cent. or more of the total value of the Class D Notes, Class E Notes or Subordinated Notes (determined separately by class) to be held by Benefit Plan Investors,

disregarding Class D Notes, Class E Notes or Subordinated Notes (or interests therein) held by Controlling Persons.

Interests in Global Certificates representing Class D Note, Class E Notes or Subordinated Notes may be exchangeable for interests in Definitive Certificates representing Class D Notes, Class E Notes or Subordinated Notes in accordance with the Conditions as amended above.

The Registrar will not register the transfer of, or exchange of interests in, a Global Certificate for Definitive Certificates during the period from (but excluding) the Record Date to (and including) the date for any payment of principal or interest in respect of the Notes.

If only one of the Global Certificates (the "**Exchanged Global Certificate**") becomes exchangeable for Definitive Certificates in accordance with the above paragraphs, transfers of Notes may not take place between, on the one hand, persons holding Definitive Certificates issued in exchange for beneficial interests in the Exchanged Global Certificate and, on the other hand, persons wishing to purchase beneficial interests in the other Global Certificate.

"**Definitive Exchange Date**" means a day falling not less than 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 D Note, Class E Note or Subordinated Note in registered definitive form, as applicable, may transfer the Notes represented thereby in whole or in part in the applicable the Minimum Denomination and Authorised Integral Amounts thereof by surrendering such Note(s) at the specified office of the Registrar or the Transfer Agent, together with the completed form of transfer and to the extent applicable, consent of the Issuer and a duly completed ERISA Certificate substantially in the form of Annex A to this Offering Circular. Upon the transfer, exchange or replacement of a Class D Note, Class E 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 D Notes, Class E 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 D Note, Class E 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 D Notes, Class E 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, provided that the relevant Noteholder is not, and have delivered an ERISA Certificate to the Issuer stating that it is not, acting on behalf of a Benefit Plan Investor and 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, consent of the Issuer and a duly completed ERISA Certificate substantially in the form of Annex A hereto.

An interest in a Global Certificate will be subject to all purchase, holding and 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 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 SECURITIES

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-1 Notes: "Aaa (sf)" from Moody's and "AAA (sf)" from S&P; the Class A-2 Notes: "Aa2 (sf)" from Moody's and "AA (sf)" from S&P; the Class B Notes: "A2(sf)" from Moody's and "A (sf)" from S&P; the Class C Notes: "Baa2(sf)" from Moody's and "BBB (sf)" from S&P; the Class D Notes: "Ba2(sf)" from Moody's and "BB (sf)" from S&P; and the Class E Notes: "B2(sf)" from Moody's and "B- (sf)" from S&P. The Subordinated Notes being offered hereby will not be rated.

The ratings assigned to the Rated Notes by Moody's address the expected loss posed to investors by the legal final maturity date of the Rated Notes. The ratings assigned to the Class A Notes by S&P address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the other Rated Notes by S&P address the ultimate payment of principal and interest.

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 Offering Circular, 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 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 structured securities, 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.

S&P Ratings

S&P will rate the Rated Notes in a manner similar to the manner in which it rates other structured issues. This requires an analysis of the following:

(a) the credit quality of the Portfolio securing the Notes;

(b) the cash flow used to pay liabilities and the priorities of these payments; and

(c) legal considerations.

Based on these analyses, S&P determines the necessary level of credit enhancement needed to achieve a desired rating. In this connection, the S&P CDO Monitor Test is applied from the period beginning as of the Effective Date and ending on the expiry of the Reinvestment Period.

S&P's analysis includes the application of the S&P CDO Monitor, which is used to estimate the default rate S&P projects the Portfolio is likely to experience and which will be provided to the Collateral Manager on or before the Issue Date. The S&P CDO Monitor calculates the cumulative default rate of a pool of Collateral Obligations and Eligible Investments consistent with a specified benchmark rating level based upon S&P's proprietary corporate debt default studies. The S&P CDO Monitor takes into consideration the rating of each Obligor, the number of Obligors, the Obligor industry concentration and the remaining weighted average maturity of each of the Collateral Obligations included in the Portfolio. The risks posed by these variables are accounted for by effectively adjusting the necessary default level needed to achieve a desired rating. The higher the desired rating, the higher the level of defaults the Portfolio must withstand. For example, the higher the Obligor industry concentration or the longer the weighted average maturity, the higher the default level is assumed to be.

Credit enhancement to support a particular rating is then provided on the results of the S&P CDO Monitor, as well as other more qualitative considerations such as legal issues and management capabilities. Credit enhancement is typically provided by a combination of over collateralisation/subordination, cash collateral/reserve account, excess spread/interest and amortisation. A cash flow model (the "**Transaction Specific Cash Flow Model**") is used to evaluate the portfolio and determine whether it can comfortably withstand the estimated level of default while fully repaying the class of debt under consideration.

There can be no assurance that actual losses on the Collateral Obligations will not exceed those assumed in the application of the S&P CDO Monitor or that recovery rates and the timing of recovery with respect thereto will not differ from those assumed in the Transaction Specific Cash Flow Model. None of S&P, the Issuer, the Collateral Manager, the Collateral Administrator, the Trustee, BGCF, the Arranger or the Initial Purchaser makes any representation as to the expected rate of defaults on the Portfolio or as to the expected timing of any defaults that may occur.

S&P's Ratings of the Rated Notes will be established under various assumptions and scenario analyses. There can be no assurance that actual defaults on the Collateral Obligations will not exceed those assumed by S&P in its analysis, or that recovery rates with respect thereto (and, consequently, loss rates) will not differ from those assumed by S&P.

RULE 17G-5 AND STS REGULATION COMPLIANCE

THE ISSUER, IN ORDER TO PERMIT THE RATING AGENCIES TO COMPLY WITH THEIR OBLIGATIONS UNDER RULE 17G-5 PROMULGATED UNDER THE EXCHANGE ACT ("**RULE 17G-5**"), HAS AGREED TO POST (OR HAVE ITS AGENT POST) ON A PASSWORD-PROTECTED INTERNET WEBSITE (THE "**RULE 17G-5 WEBSITE**"), AT THE SAME TIME SUCH INFORMATION IS PROVIDED TO THE RATING AGENCIES, ALL INFORMATION (WHICH WILL NOT INCLUDE ANY REPORTS FROM THE ISSUER'S INDEPENDENT PUBLIC ACCOUNTANTS) THAT THE ISSUER (OR OTHER PARTIES ON ITS BEHALF, INCLUDING THE COLLATERAL MANAGER) PROVIDES TO THE RATING AGENCIES FOR THE PURPOSES OF DETERMINING THE INITIAL CREDIT RATING OF THE RATED NOTES OR UNDERTAKING CREDIT RATING SURVEILLANCE OF THE RATED NOTES; PROVIDED, HOWEVER, THAT, PRIOR TO THE OCCURRENCE OF AN EVENT OF DEFAULT, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COLLATERAL MANAGER, NO PARTY OTHER THAN THE ISSUER MAY PROVIDE INFORMATION TO THE RATING AGENCIES ON THE ISSUER'S BEHALF.

ON THE ISSUE DATE, THE ISSUER WILL REQUEST CITIBANK, N.A. LONDON BRANCH, IN ACCORDANCE WITH THE COLLATERAL MANAGEMENT AND ADMINISTRATION AGREEMENT, TO ASSIST THE ISSUER IN COMPLYING WITH CERTAIN OF THE POSTING REQUIREMENTS UNDER RULE 17G-5 (IN SUCH CAPACITY, THE "**INFORMATION AGENT**"). ANY NOTICES OR REQUESTS TO, OR ANY OTHER WRITTEN COMMUNICATIONS WITH OR WRITTEN INFORMATION PROVIDED TO, THE RATING AGENCIES, OR ANY OF THEIR OFFICERS, DIRECTORS OR EMPLOYEES PURSUANT TO, IN CONNECTION WITH OR RELATED DIRECTLY OR INDIRECTLY TO, THE TRUST DEED, THE COLLATERAL MANAGEMENT AND ADMINISTRATION AGREEMENT, ANY TRANSACTION DOCUMENT RELATING THERETO, THE PORTFOLIO OR THE

NOTES, WILL BE IN EACH CASE FURNISHED DIRECTLY TO THE RATING AGENCIES AFTER A COPY HAS BEEN DELIVERED TO THE INFORMATION AGENT OR THE ISSUER FOR POSTING TO THE RULE 17G-5 WEBSITE.

IN THE EVENT THAT THE STS REGULATION APPLIES IN THE FORM THAT COMES INTO FORCE, 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 FOR THE PURPOSES OF ENSURING COMPLIANCE WITH THE STS REGULATION. THE COLLATERAL ADMINISTRATOR WILL AGREE TO PROVIDE TO THE INFORMATION AGENT SUCH INFORMATION IN ITS POSSESSION ON REQUEST FROM THE ISSUER (OR THE COLLATERAL MANAGER ON ITS BEHALF) IN ORDER TO ASSIST WITH THE ISSUER'S COMPLIANCE WITH THE STS REGULATION.

THE ISSUER

General

The Issuer is a special purpose vehicle established for the purpose of issuing asset backed securities and was incorporated in Ireland as a designated activity company on 11 January 2016 under the Irish Companies Act 2014 with the name of Elm Park CLO Designated Activity Company and with company registration number 574970 and having its registered office at 3rd Floor, Europa House, Harcourt Centre, Harcourt Street, Dublin 2. The telephone number of the registered office of the Issuer is +353 (0)1 416 1239 and the fax number is +353 (0)1 416 1290.

The authorised share capital of the Issuer is EUR100 divided into 100 ordinary shares of EUR1.00 each. The Issuer has issued one ordinary share of EUR1.00 (the "**Share**"), which is fully paid up and is held on trust by Intertrust Nominees (Ireland) Limited (as "**Share Trustee**") under the terms of a declaration of trust (the "**Declaration of Trust**") dated 13 May 2016, whereby the Share Trustee holds the Share on trust for charitable purposes. The Share Trustee has no beneficial interest in and derives no benefit (other than its fees for acting as Share Trustee) from its holding of the shares of the Issuer. The Share Trustee will apply any income derived from the Issuer solely for the above purposes.

Intertrust Management Ireland Limited (the "**Corporate Services Provider**"), an Irish company, acts as the corporate administrator for the Issuer. The office of the Corporate Services Provider serves as the general business office of the Issuer. Through the office and pursuant to the terms of the corporate services agreement entered into on 13 May 2016 between the Issuer and the Corporate Services Provider (the "**Corporate Services Agreement**"), the Corporate Services Provider performs various management functions on behalf of the Issuer, including the provision of certain clerical, reporting, accounting, administrative and other services until termination of the Corporate Services Agreement. In consideration of the foregoing, the Corporate Services Provider receives various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses. The terms of the Corporate Services Agreement provide that either party may terminate the Corporate Services Agreement upon the occurrence of certain stated events, including any material breach by the other party of its obligations under the Corporate Services Agreement which is either incapable of remedy or which is not cured within 30 days from the date on which it was notified of such breach. In addition, either party may terminate the Corporate Services Agreement at any time by giving at least 30 days' written notice to the other party.

The Corporate Services Provider's principal office is at 3rd Floor, Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.

Business

The principal objects of the Issuer are set forth in Article 2 of its Memorandum of Association and include, *inter alia*, the power to issue securities and to raise or borrow money, to grant security over its assets for such purposes, to lend with or without security and to enter into derivative transactions. Cash flow derived from the Collateral securing the Notes will be the Issuer's only source of funds to fund payments in respect of such Notes.

So long as any of the Notes remain outstanding, the Issuer will be subject to the restrictions set out in the Conditions and in the Trust Deed. In particular, the Issuer has undertaken not to carry out any business other than the issue of the Notes and acquiring, holding and disposing of the Portfolio in accordance with the Conditions and the Collateral Management and Administration Agreement, entering into the Transaction Documents and exercising the rights and performing the obligations under each such agreement and all other transactions incidental thereto. The Issuer will not have any substantial liabilities other than in connection with the Notes and any secured obligations. The Issuer will not have any subsidiaries and, the Issuer will not accumulate any surpluses save in respect of the fees and expenses generated in connection with the issue of the Notes (referred to below), any related profits and the proceeds of any deposits and investments made from such fees or from amounts representing the proceeds of the Issuer's issued share capital.

The Issuer has, and will have, no material assets other than the Portfolio held from time to time, the Balances standing to the credit of the Accounts and the benefit of the Transaction Documents entered into by it or on its behalf from time to time, such fees (as agreed) payable to it in connection with the issue of the Notes, the sum of EUR1.00 representing the proceeds of its issued and paid-up share capital and the remainder of the amounts

standing to the credit of the Issuer Irish Account. The only assets of the Issuer available to meet claims of the holders of the Notes and the other Secured Parties are the assets comprised in the Collateral.

The Notes are obligations of the Issuer alone and are not the obligation of, or guaranteed in any way by, the Directors, the Company Secretary, the Trustee, the Agents, the Collateral Manager, any Hedge Counterparty or any Obligor under any part of the Portfolio.

Directors and Company Secretary

The Issuer's Articles of Association provide that the Board of Directors of the Issuer will consist of at least two Directors.

The Directors of the Issuer as at the date of this Offering Circular are David Greene and Neasa Moloney. The business address of the Directors is 3rd Floor, Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland. The principal activities of the Directors outside the Issuer are as Company Directors.

The Company Secretary is Intertrust Management Ireland Limited of 3rd Floor, Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.

Business Activity

Prior to the Issue Date, the Issuer entered into binding commitments to purchase certain Issue Date BGCF Assets pursuant to certain forward purchase agreements entered into between the Issuer and BGCF. See further "*BGCF and the Retention Requirements*" below.

The Issuer has not previously carried on any business or activities other than those incidental to its incorporation, the acquisition of the Portfolio (including the Issue Date BGCF Assets), the authorisation and issue of the Notes and activities incidental to the exercise of its rights and compliance with its obligations under each Transaction Document and the other documents and agreements entered into in connection with the issue of the Notes and the purchase of the Portfolio.

Indebtedness

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

Subsidiaries

The Issuer has no subsidiaries.

Administrative Expenses of the Issuer

The Issuer is expected to incur certain Administrative Expenses (as defined in Condition 1 (*Definitions*) of the Terms and Conditions of the Notes).

Financial Statements

Since its date of incorporation, save as disclosed herein, the Issuer has not commenced operations and no financial statements of the Issuer have been prepared as at the date of this Offering Circular. The Issuer intends to publish its first financial statements in respect of the period ending on 31 December 2016. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December in each year.

The Issuer's profit and loss account and balance sheet can be obtained free of charge from the registered office of the Issuer. The Issuer must hold its first annual general meeting within 18 months of the date of its incorporation (and no more than 9 months after the financial year end) and thereafter the gap between its annual general meetings must not exceed 15 months. One annual general meeting must be held in each calendar year.

The auditors of the Issuer are Deloitte of Earlsfort Terrace, Dublin 2, Ireland, who are chartered accountants and are members of the Institute of Chartered Accountants of Ireland and registered auditors qualified in practice in Ireland.

DESCRIPTION OF THE COLLATERAL MANAGER

The information appearing in this section has been prepared by the Collateral Manager and has not been independently verified by the Issuer, the Initial Purchaser or any other party. None of the Initial Purchaser or any other party other than the Issuer and the Collateral Manager assumes any responsibility for the accuracy or completeness of such information. The Issuer confirms that the information in this section has been accurately reproduced and that as 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.*

General

Certain management functions with respect to the Portfolio (including, without limitation, the acquisition, management and disposal of the Collateral) will be performed by Blackstone / GSO Debt Funds Management Europe Limited as the Collateral Manager under the Collateral Management and Administration Agreement to be entered into on or about the Issue Date between, *inter alios*, the Issuer and the Collateral Manager.

Blackstone / GSO Debt Funds Management Europe Limited

Blackstone / GSO Debt Funds Management Europe Limited ("**DFME**") is a limited liability company incorporated in Ireland (registered number 349646) with its registered office at Arthur Cox Building, Earlsfort Terrace, Dublin 2, Ireland, and will act as Collateral Manager in accordance with the terms of the Collateral Management and Administration Agreement. DFME was established in November 2001. Certain members of the board of DFME were previously the collateral management team of Euro Capital Structures Limited which was established in July 1999.

All portfolio managers have relevant experience in accountancy, banking, asset management or investment funds.

DFME is authorised by the Central Bank of Ireland pursuant to Regulation 6 of S.I. No. 60 of 2007, European Communities (Markets in Financial Instruments) Regulations, 2007 (as amended) to provide investment services.

Overview of The Blackstone Group

DFME is an Affiliate of The Blackstone Group L.P. (together with its Affiliates, "**The Blackstone Group**"). The Blackstone Group is traded on the New York Stock Exchange under the ticker symbol "BX". The Blackstone Group maintains a website at www.blackstone.com. The reference to the website of The Blackstone Group is an inactive textual reference only and the contents of the website are not incorporated into this Offering Circular. The Blackstone Group, an investment and advisory firm with offices in New York, Atlanta, Beijing, Boston, Chicago, Dubai, Dusseldorf, Hong Kong, Houston, London, Los Angeles, Menlo Park, Mumbai, Paris, San Francisco, Seoul, Shanghai, Singapore, Sydney and Tokyo, was founded in 1985. Through its different investment businesses, as of 31 December 2015, The Blackstone Group has total assets under management of approximately $336.4 billion. This is comprised of $188.2 billion in corporate private equity and real estate funds and $148.2 billion in credit-oriented alternative asset programs (including proprietary hedge funds).

The Blackstone Group's core businesses include the management of corporate private equity funds, real estate funds, funds of hedge funds, mezzanine funds, senior debt vehicles, proprietary hedge funds and closed-end mutual funds.

Overview of GSO Capital Partners LP

In January 2012, GSO Capital Partners LP ("**GSO**") acquired Harbourmaster Capital Limited and Harbourmaster Capital Management Limited (together, "**Harbourmaster**"), which were subsequently renamed Blackstone / GSO Debt Funds Europe and Blackstone / GSO Debt Funds Management Europe Limited, respectively. The acquisition of Harbourmaster added U.S. $9.8 billion of assets under management (as of the date of acquisition) to GSO, making GSO one of the largest leveraged loan investors in Europe as well as the United States. GSO is an alternative asset manager specialising in the leveraged finance marketplace with approximately $79.1 billion in assets under management as of 31 December 2015 and offices in New York,

Dublin, London and Houston. GSO was founded in July 2005 by Bennett Goodman, J. Albert "Tripp" Smith and Douglas Ostrover. GSO draws on the skills and experience of its worldwide employee base to invest in a broad array of public and private securities across multiple investment strategies. Key areas of focus include leveraged loans, distressed investments, special situations, capital structure arbitrage, mezzanine securities and private equity. GSO manages capital on behalf of insurance companies, banks, pension funds, endowments, foundations, family offices and funds of funds.

In March 2008, Affiliates of The Blackstone Group acquired a controlling interest in GSO and its Affiliates (the "**Acquisition**"). This resulted in the formation of one of the largest integrated credit platforms in the alternative asset management business, with over U.S. $21 billion of total assets under management at the time of the Acquisition.

Strategic Opportunity

The Blackstone Group's management of portfolios consisting of leveraged loans is a natural extension of the firm's experience across all its existing lines of business. In addition to The Blackstone Group's experience investing in senior secured loans as described above, it is able to provide benefits from its activity in private equity, real estate, distressed debt and mezzanine investing. This experience is available to DFME as it positions the Issuer's asset mix and as it determines the credit characteristics of industries and borrowers. Through its private equity and broader debt investment activities, The Blackstone Group has reviewed many investment opportunities across many industries. Access to this historical perspective affords the ability to identify challenges for particular industries and assess the realistic growth opportunities for specific goods and services. With this insight, DFME believes it is well positioned to make insightful industry forecasts and apply those forecasts to particular investment opportunities for specific issuers.

Management of Collateral Obligations

As the Collateral Manager, DFME will be responsible for selecting and monitoring the performance of the Collateral Obligations. DFME's sale and purchase decisions (with certain exceptions) will be reviewed and approved by an investment committee (the "**Investment Committee**"). The Investment Committee will emphasise a consensus approach to decision making among the members of the committee and will comprise senior members.

Investment Strategy

DFME will manage the Portfolio using fundamental and technical analysis subject to the reinvestment criteria and other relevant criteria set forth in the Collateral Management and Administration Agreement. DFME's objective in managing the portfolio is principal preservation through credit analysis and portfolio diversification. In order to achieve these objectives, DFME maintains a defensive approach towards its investments by emphasising risk control through: (i) undertaking comprehensive due diligence and credit analysis, (ii) careful portfolio construction with an emphasis on diversification, (iii) maintaining on-going monitoring of credits and sectors by research analysts and (iv) portfolio managers' monitoring of portfolios, market conditions and transaction structure with a view towards anticipating positive and negative credit events. DFME also considers it a priority in meeting its objectives that it has and maintains a strong and experienced management team that understands investing in credit within structural constraints.

Comprehensive Due Diligence and Credit Analysis

Investment decisions by DFME are based on rigorous credit review and relative value analysis performed by the research analysts, the portfolio managers and the traders. Potential investments are analysed on the merits of the individual company relative to its position in the industry and the general strength of the industry within the context of the overall economy. Credit analysis includes, but may not be limited to, an analysis of the key drivers of revenue, expense, cash flow and sources and uses of working capital. Research analysts will prepare a formal credit memorandum that documents an investment hypothesis and supporting information on, among other things, due diligence performed, review of historical operational and financial information and the industry status of such potential investment, information presented in bank meetings, offering memoranda, management meetings and modelling of "down-side" financial scenarios. When deemed appropriate, the due diligence process may include interviews with management and controlling shareholder(s), review of external and proprietary research and on-site visits.

Investment Committee and Investment Process

New investment opportunities are pre-reviewed by a combination of Investment Committee members and the relevant research analyst to assess general quality, value and fit relative to the needs of each portfolio. Assets that are viewed favourably are then further evaluated by the research analyst, who will then prepare a formal credit memorandum and, if appropriate, recommend the asset to the Investment Committee. The Investment Committee also takes into consideration information from traders who are responsible for contact with the primary and secondary desks within the dealer community and for providing an opinion to the Investment Committee regarding the liquidity of the Collateral Obligations or assets under consideration for inclusion in the Collateral Obligations. DFME will recommend an asset purchase only upon unanimous agreement by the Investment Committee. The Investment Committee meets as often as is necessary to discuss potential new investments and existing positions whenever action is required. As part of its investment decision, the Investment Committee also takes into consideration an analysis of a Collateral Obligation's potential impact on the portfolio's structure.

Investment Monitoring and Risk Management

Research analysts and portfolio managers maintain the credit monitoring process. Individual investment performance is benchmarked against the initial investment hypothesis giving consideration to new financial information, market news, price or other events. As part of an overall risk management strategy, a "Credit Watch List" is maintained and monitored which is derived from general market information including security prices, company press releases, news and statements and ongoing due diligence. Data from the "Credit Watch List" is also used as part of its investment decision process to forecast the occurrence of specific credit events and model the impact of credit events on a portfolio, given the structure of the related investment vehicle. When deemed appropriate, ongoing monitoring may include: meetings with management and advisors, obtaining a seat on committees and seeking new investors/capital. In performing credit monitoring processes, various software, publications and third party monitoring services may be used.

Biographies of the Members of the Investment Committee

Alan Kerr is a Senior Managing Director of The Blackstone Group L.P. and is Head of European Customised Credit Strategies ("**CCS Europe**"). Mr. Kerr is a member of the CCS Europe Investment Committee and the GSO U.S. CCS Management Committee. Mr. Kerr joined GSO in January 2012 following the acquisition by GSO of Harbourmaster Capital Management Limited where he was Co-Head. He joined Harbourmaster at its inception in 2000. Mr. Kerr has 18 years of experience in the industry, including high yield bank loans, CLOs and bank loan funds. Formerly, Mr. Kerr was with Ernst & Young as a Financial Services Group Manager. Mr. Kerr has an honours Commerce Degree (Banking & Finance) from University College Dublin, a Masters in Accountancy from University College Dublin, and is a member of Chartered Accountants Ireland.

Fiona O'Connor is a Managing Director of The Blackstone Group L.P. and Head of Credit for CCS Europe. Prior to 2012, Ms. O'Connor was Head of Credit for Harbourmaster for five years, running a team of credit analysts responsible for all aspects of credit origination, investment selection and ongoing monitoring of its €7.5 billion portfolio of leveraged loans. Prior to joining Harbourmaster, Ms. O'Connor worked for Bank of Ireland, Dublin, as a Director of its Acquisition Finance Origination group and previously within its Project Finance division. Prior to joining Bank of Ireland, Ms. O'Connor worked in Corporate Credit in Australia & New Zealand Bank (ANZ) in New York and as a credit analyst in AIB in New York. Ms. O'Connor has 22 years' experience in Acquisition Finance, Project Finance and Structured Finance. She has a Masters in Business Studies from Michael Smurfit Graduate School of Business and Bachelor of Commerce from University College Dublin.

Alex Leonard is a Managing Director, Senior Portfolio Manager and Loan Trader within GSO Capital's Customised Credit Strategies Group, part of GSO Fund Management Group Europe (which was formerly Harbourmaster Capital Management prior to its acquisition by GSO in early 2012). Prior to 2012, Mr. Leonard was a Director and Co-Head of Portfolio Management and Trading at Harbourmaster, primarily involved in fund structuring, portfolio management and trading. Before joining Harbourmaster in March 2006, Mr. Leonard was a Director at Depfa with responsibility for management of Depfa's public sector asset CDO program. Prior to joining Depfa, Mr. Leonard worked for 5 years as a Senior Structurer and then Co-Head of Euro Capital Structures (the structuring team for the UniCredit Group). Prior to joining ECS, Mr. Leonard worked as a quantitative analyst in ING Barings and Airbus Industry's aerospace finance team. Mr. Leonard received an

M.A. in Economics from University College Dublin and an MBA with distinction from Trinity College Dublin School of Business.

David Barry is a Principal of The Blackstone Group L.P. Mr. Barry is involved in the on-going analysis and evaluation of primary and secondary loan market investments across multiple industries. Prior to the acquisition of Harbourmaster by GSO in 2012, Mr. Barry was a Director within the Investment Team at Harbourmaster for five years where his primary responsibilities included analysing investment opportunities as well as representing Harbourmaster on restructuring and workouts. Mr. Barry received a B.Comm in Banking and Finance from University College Dublin.

Michael Ryan is a Managing Director of the Blackstone Group L.P. Mr. Ryan joined GSO in January 2012 following the acquisition by GSO of Harbourmaster. He is involved in all aspects of credit origination, investment selection and ongoing monitoring of CCS Europe's CDO portfolio. Prior to joining Harbourmaster, Mr. Ryan was with Hypo Real Estate Bank and KPMG. Mr. Ryan has a Master's degree in Business Studies & Accounting and an honours degree in Accounting & Finance, both from Dublin City University. Mr. Ryan is also a qualified Chartered Accountant.

Although the persons described above are currently employed by The Blackstone Group and are engaged in the activities of DFME, such persons may not necessarily continue to be employed by The Blackstone Group during the entire term of the Collateral Management and Administration Agreement and, if so employed, may not remain engaged in the activities of DFME.

DESCRIPTION OF BGCF AND THE RETENTION REQUIREMENTS

The information appearing in the section entitled "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.

The information appearing in the section entitled "Description of BGCF and its Business" below has been prepared by BGCF and has not been independently verified by the Issuer, the Collateral Manager, the Initial Purchaser or any other party. None of the Initial Purchaser or any other party other than the Issuer and BGCF assumes any responsibility for the accuracy or completeness of such information. The Issuer confirms that the information in this section has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by BGCF, no facts have been omitted which would render the reproduced information inaccurate or misleading.

General

BGCF believes that, by creating an opportunity for its mixture of equity and debt providers to participate on a "wholesale" basis in a loan origination company which also purchases a portion of the subordinated tranche of debt in collateralised loan obligation transactions it establishes, it has the ability to provide (and creates the opportunity for its debt and equity providers to realise) an attractive return on its debt and equity (as applicable).

In consideration of BGCF's role in establishing the transaction described herein, the Collateral Manager will rebate up to 20 per cent. of the Collateral Management Fees (excluding the Incentive Collateral Management Fee) it earns in its capacity as collateral manager to the Issuer. For further information see "*Risk Factors – Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Collateral Manager, BGCF and their Affiliates*". After the deduction of all costs (calculated at arm's length) attributable to BGCF, it is expected that the net rebate may be at least 10 per cent. of the Collateral Management Fees (excluding the Incentive Collateral Management Fee).

BGCF's own role in establishing collateralised loan obligation transactions which the Collateral Manager will then manage, will allow the Collateral Manager to continue to grow its collateral management business and receive fees for its services.

Retention Requirements

On the Issue Date, BGCF will execute the Retention Undertaking Letter addressed to the Issuer, the Initial Purchaser, the Trustee and the Collateral Administrator.

BGCF will hold the Retention Notes, as described below, in its capacity as an "originator" for the purposes of the Retention Requirements. Pursuant to the Eligibility Criteria, the Issuer may only acquire a Collateral Obligation if in certain circumstances and immediately following such purchase, more than 50 per cent. of the Collateral Principal Amount consists of Collateral Obligations and Eligible Investments which, pursuant to and in accordance with the requirements of the definition of Originator Requirement (and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition), were acquired from BGCF.

Pursuant to the Retention Undertaking Letter, BGCF will, for the benefit of the Issuer, the Initial Purchaser, the Trustee and the Collateral Administrator:

(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 in the first loss tranche of not less than 5 per cent. of the nominal value of the securitised exposures through the purchase and retention of Subordinated Notes with an original Principal Amount Outstanding (such original Principal Amount Outstanding calculated as of the date of issuance of such Subordinated Notes) equal to or greater than 5 per cent. of the greater of the Target Par Amount and the Collateral Principal Amount on the relevant date of determination,

(the "**Retention Notes**");

(b) agree not to sell, hedge or otherwise mitigate its credit risk under or associated with the Retention Notes, except to the extent permitted by the Retention Requirements;

(c) subject to any regulatory requirements, agree:

(i) to take such further reasonable action, provide such information (subject to any duty of confidentiality), on a confidential basis, and enter into such other agreements as may reasonably be required to satisfy the Retention Requirements; and

(ii) to provide to the Issuer, on a confidential basis, information in the possession of BGCF 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:

(i) confirm in writing promptly upon the request of the Trustee, the Collateral Administrator, the Initial Purchaser or the Issuer, in each case, to such party making such request; and

(ii) commencing on the earlier of 10 August 2016 and the Effective Date, confirm in writing to the Collateral Administrator:

(A) in relation to months where there will be a Payment Date, on or before the fifteenth calendar day of each such month; and

(B) in relation to months where there will not be a Payment Date, on or before the tenth calendar day of each such month,

in each case, for the purposes of inclusion of such confirmation in each Monthly Report,

its continued compliance with the covenants set out at paragraphs (a) and (b) above;

(e) undertake and agree that in relation to every Collateral Obligation it sells or transfers to the Issuer, that it either:

(i) purchased or will purchase such obligation for its own account prior to selling or transferring such obligation to the Issuer; or

(ii) either itself or through related entities, directly or indirectly, was involved or will be involved in the original agreement which created or will create such obligation;

(f) agree that it shall promptly notify the Issuer, the Trustee and the Collateral Administrator if for any reason it:

(i) ceases to hold the Retention Notes in accordance with (a) above; or

(ii) fails to comply with the agreements and covenants (as applicable) set out in (b) or (e) above in any way or (c) above in any material way;

(g) acknowledge and confirm that BGCF established the transaction contemplated by the Transaction Documents and appointed the Initial Purchaser to provide certain specific services in order to assist with such establishment; and

(h) be deemed to represent on a continuous basis while any Notes remain Outstanding that (as of the time of such deemed representations):

(i) it is not an entity that has been established or that operates for the sole purpose of securitising exposures; and

(ii) it has the capacity to meet a payment obligation from resources not related to the exposures it securitises.

BGCF shall be permitted to transfer the Retention Notes to the extent such transfer would not in and of itself cause the transaction described in this Offering Circular to be non-compliant with the Retention Requirements.

Prospective investors should consider the discussion in "*Risk Factors – Regulatory Initiatives*" above.

Description of BGCF and its Business

General Information

General

Blackstone / GSO Corporate Funding Designated Activity Company ("**BGCF**"), was incorporated in Ireland on 16 April 2014, under the Companies Acts 1963 to 2013 (as amended) (registration number 542626). The registered office and principal place of business of BGCF is 3rd Floor, Europa House, The Harcourt Centre, Harcourt Street, Dublin 2, Ireland. The statutory records of BGCF are kept at this address. BGCF operates and issues shares in accordance with the Irish Companies Act 2014 and ordinances and regulations made thereunder and has no subsidiaries or employees. BGCF shall have an unlimited life.

BGCF has commenced operations and its accounting period ends on 31 December of each year.

The auditors of BGCF are Deloitte of Earlsfort Terrace, Dublin 2, Ireland, who are chartered accountants and are members of the Institute of Chartered Accountants of Ireland and registered auditors qualified in practice in Ireland.

BGCF's annual report and accounts will be prepared according to IFRS.

Share Capital

The current share capital of BGCF consists of the following:

Share Class	**Number issued**	**Nominal Value of each share**	**Share Premium**
Ordinary	200	€1	N/A
Class B2	15	€1	€14,999,985

Directors

BGCF's articles of association provide that its board of directors will consist of at least two directors.

The directors of BGCF as at the date of this Offering Circular are Anne Flood, Imelda Shine, Fergal O'Leary and Aogán Foley. The Directors may be contacted at 3rd Floor, Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.

The Company Secretary is Intertrust Management Ireland Limited of 3rd Floor, Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.

Biographies of the Directors of BGCF

Anne Flood

Anne is Managing Director of Intertrust Management Ireland and works with clients and business partners to provide a tailored corporate administration services to a wide variety of structures established by private equity funds, collateral managers, investment banks, aviation leasing companies and alternative investment funds. Anne joined Intertrust on its acquisition of Walkers Management Services in 2012, where she had been Senior

Vice President having established and led its SPV Management Services business in Dublin. Previously Anne held senior roles with AIB Capital Markets in its International Financial Services division, most recently as head of its Structured Finance and Asset Finance Services team. Prior to that worked for a number of years as a financial accountant with ORIX Aviation.

Anne provides non-executive directorship services to companies engaged in structured finance, aviation leasing and finance, regulated Qualifying Alternative Investment Funds, as well as a range of corporate and holding company structures.

Anne is a member of the Chartered Institute of Management Accountants and holds a Bachelor of Science in Management from Trinity College, Dublin. Anne is also a member of the Institute of Directors in Ireland.

Aogán Foley

Mr. Foley has been Managing Director of Incisive Capital Management ("**ICM**") since 2004. ICM is an investment manager specialising in credit investments, and was purchased by Mr. Foley from HVB AG in November, 2007. Prior to this from 2001 to 2003, Mr Foley was Chief Executive Officer and Director, West End Capital Management Dublin ("**WECM**"). Through WECM, he designed and set up a credit investment vehicle, Rathgar Capital Corporation ("**RCC**") in December 2001. RCC was rated by Moody's and Standard and Poor's and was the first such vehicle to be set up outside London and New York at the time. From 1999 to 2001, he was Head of Credit Structuring, General Re Financial Products ("**GRFP**") where he was responsible for designing and structuring credit products for GRFP in Europe. From 1995-1999, he held a number of positions, latterly as Head of Fixed Income Structured Finance for Lehman Brothers International (Europe) in London. He is a Chartered Accountant by training.

Fergal O'Leary

Mr O'Leary is an executive director of Cedarhill Financial Thinking Limited, a Central Bank of Ireland regulated firm in the role of PCF1, the most senior pre-approval controlled function level status. Previously he has been a senior international investment banking executive with diverse financial services and capital markets experience. He has been a Managing Director and executive board member of Glas Securities Limited, a Central Bank of Ireland regulated firm, also as a PCF1 role. Between 2001 and 2009, he was a non-executive board member of Citigroup Global Markets Asia Capital Corporation.

He holds a Professional Diploma in Financial Advice and is a Qualified Financial Adviser (Life Insurance Association of Ireland). Mr O'Leary holds a Bachelor of Arts from the University College Dublin and an M.Sc. in Investment & Treasury from Dublin City University.

Imelda Shine

Ms. Shine joined Intertrust in 2009 to establish the Irish office. In her role as Country Managing Director of Intertrust Ireland, Ms. Shine works with clients and business partners to provide tailored corporate administration services to a wide variety of structures established by multinational corporates, private equity funds, investment banks, asset managers, aviation leasing companies and alternative investment funds.

Ms. Shine sits on the boards of SPVs engaged in structured finance, aviation leasing and finance, as well as a range of corporate and holding companies in the intellectual property, pharmaceuticals, technology and energy space.

Prior to joining Intertrust, she worked in asset management in both the US and Ireland for over fifteen years, most recently as a portfolio manager with Davy. She has also held a number of executive roles as product specialist and product manager for global and international equity and fixed income funds at Bank of Ireland Asset Management, OppenheimerFunds, LGT Asset Management (formerly GT Global) and Franklin Templeton. During her time at Bank of Ireland Asset Management, Imelda was a member of the investment strategy committee and her role involved meeting with portfolio companies to analyse and review their stock price performance and to articulate the investment philosophy, strategy and processes of key funds to underlying investors. Her role also involved analysis of performance and risk exposures of key products. At OppenheimerFunds in New York Imelda was a member of the Global Investment team that oversaw the investment of over US $20 billion in assets under management in both global and international equity and fixed income funds. She has experience in multi-asset class investments across both traditional and alternative asset

classes. She also has alternative investment experience that spans multi-strategy hedge funds of funds, venture and growth capital private equity funds of funds and direct real estate.

Ms. Shine holds a Bachelor of Business Studies (Hons) from the University of Limerick and a Higher Diploma from the Smurfit Graduate School of Business. She also holds a certificate in Company Direction from the Institute of Directors.

Sources and Uses of Funding

BGCF sources (or intends to source) its funding from a variety of debt and equity instruments. The sources of funding will be available for the following purposes:

(a) in certain circumstances for investment in assets which will form part of the BGCF Portfolio (as defined below);

(b) in certain circumstances for the payment of costs, expenses, third party agent/adviser fees and other liabilities of BGCF;

(c) for investment in other retention companies and loan warehouses; and

(d) in certain circumstances to absorb any realised market value and/or credit losses on the BGCF Portfolio from time to time,

(together, the "**Purposes**").

BGCF's sources (or intended sources) of funding consist of (but are not limited to) the following:

Share Capital

BGCF's share capital will be available for use in connection with the Purposes (see "*General Information – Share Capital*" above).

Profit Participating Notes

On 30 July 2014, BGCF issued €245,250,000 in principal amount of profit participating notes to third parties for consideration of approximately €260,250,000. On 9 September 2014, BGCF made a further issuance of profit participating notes in aggregate principal amount of €40,700,000. In addition, on 29 April 2015, BGCF made a further issuance of profit participating notes in aggregate principal amount of €29,979,526. BGCF may issue further profit participating notes denominated in either EUR or USD from time to time.

Multi-Currency Variable Funding Notes

On 8 August 2014, BGCF issued variable funding notes ("**VFNs**") to four bank counterparties which, subject to the satisfaction of certain conditions, allow BGCF to draw funding amounts of up to €475,000,000 in aggregate (or the Euro equivalent) in Euro, pounds sterling and/or United States dollars for use in connection with certain of the Purposes.

Factual Data Regarding BGCF's Business

BGCF has purchased and held material loan positions for its own account in the BGCF Portfolio (as defined below) for periods of time ranging from less than 1 month to more than 12 months. As further detailed below in the section entitled "*Market risk reduction strategy of BGCF*", BGCF may from time to time enter into Forward Purchase Agreements with CLO issuers in respect of assets in the BGCF Portfolio. Notwithstanding this: (a) as at 31 August 2014, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €528.9 million, (b) as at 31 October 2014, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €548.2 million, (c) as at 31 December 2014, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €497.9 million, (d) as at 31 March 2015, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €267.0 million, (e) as at 30 June 2015, the

principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €311.9 million and (f) as at 31 December 2015, the principal balance of loan assets which were not subject to a Forward Purchase Agreement was approximately €153.7 million.

BGCF's payment obligations on the VFNs (to make interest and principal payments) are satisfied by, among other sources, interest income on the loan assets which it holds in the BGCF Portfolio (and not from interest receipts on the CLO Securities it holds or assets added to Forward Purchase Agreements). To date, BGCF has paid interest on the VFNs of approximately €10.45 million in total, all of which was paid from interest income earned from the BGCF Portfolio. In addition, BGCF's share capital, the proceeds from the profit participating notes it has issued and drawings under the VFNs, all continue to be available to meet its liabilities.

BGCF Investment Objective, Policy and Strategy

Investment Objective

BGCF's investment objective, which is subject to change from time to time, is to provide stable income returns on debt it issues, whilst growing the capital value of its investment portfolio by exposure to a portfolio of predominantly floating rate senior secured loans (such exposure being made directly or through investments in loan warehouses) and by holding securities in collateralised loan obligation transactions ("**CLOs**") which it establishes ("**CLO Securities**").

If BGCF decides to establish a CLO, it will commit to buy and hold to maturity: (i) an amount of the most subordinated tranche of debt issued by such CLO (which may be represented by a debt or equity security) ("**CLO Income Notes**") equal to at least 5 per cent. of the maximum portfolio principal amount of the assets in the CLO; or (ii) CLO Securities of no less than 5 per cent. of the nominal value of each of the tranches sold or transferred to investors. It is anticipated that BGCF will eventually retain CLO Securities (including, for the avoidance of doubt, CLO Income Notes) in a number of CLOs, and in addition will continue to directly hold floating rate senior secured loans.

Investment Policy and Strategy

BGCF's investment policy, which is subject to change from time to time, is to invest predominantly in a diverse portfolio of senior secured loans (including broadly syndicated, middle market or other loans) (such investments being made directly or through investments in loan warehouses) and in CLO Securities, and generate attractive risk-adjusted returns from such portfolios.

BGCF intends to pursue its investment policy by investing proceeds from its sources of financing (less any amounts retained for working capital purposes) in:

(a) senior secured loans, CLO Securities and loan warehouses; or

(b) other risk retention companies which, themselves, invest predominantly in senior secured loans, CLO Securities and Loan Warehouses,

along with certain other investments (together, the "**BGCF Portfolio**").

BGCF (or its service providers on its behalf) will perform fundamental credit research in order to dictate name selection and sector weights, backstopped by BGCF's constant portfolio monitoring and risk oversight. BGCF will typically look to diversify its portfolios to avoid the risk that any one obligor or industry will adversely impact overall returns. BGCF also places an emphasis on loan portfolio liquidity to ensure that if its credit outlook changes, it is free to respond quickly and effectively to reduce or eliminate risk in the BGCF Portfolio.

Where senior secured loans are held directly by BGCF, it is its intention that the senior secured loans in the BGCF Portfolio are actively managed to minimise default risk and potential loss through comprehensive credit analysis performed by BGCF or its service providers.

BGCF infrastructure

BGCF is a self-managed origination company. It has entered into a variety of arrangements in order to assist it in effectively originating and managing its portfolio on an ongoing basis. The following are descriptions of those which are material to BGCF:

Portfolio Service Support Agreement

BGCF has entered into a portfolio service support agreement (the "**PSSA**") with Blackstone / GSO Debt Funds Management Europe Limited ("**DFME**") pursuant to which DFME is appointed by BGCF to provide certain service support, credit research and analysis services in connection with the origination and ongoing management of the BGCF Portfolio by BGCF. BGCF is self-managed. However, under the PSSA, if BGCF so requires, DFME will provide certain assigned personnel to enable BGCF to make necessary business and investment decisions and carry on the day-to-day management of the BGCF Portfolio (the "**Assigned Resources**").

Initial Assigned Resources

The Assigned Resources list (the constitution of which may change from time to time) currently consists of the following:

Alan Kerr

Alan Kerr is a Senior Managing Director of the Blackstone Group LP and is a Head of European Customised Credit Strategies ("**CCS Europe**"). Mr. Kerr is a member of the CCS Europe Investment Committee and GSO's European and U.S. CCS Management Committees. Mr. Kerr has primary portfolio management responsibility for GSO's European CLOs and commingled loan funds. Mr. Kerr joined GSO in January 2012 following the acquisition by GSO of Harbourmaster Capital Management Limited where he was Co-Head. He joined Harbourmaster at its inception in 2000. Mr. Kerr has 20 years of experience in the industry, including high yield, bank loans, CLOs and bank loan funds. Formerly, Mr. Kerr was with Ernst & Young as a Financial Services Group Manager. Mr. Kerr has an Honours Commerce Degree (Banking & Finance) from University College Dublin, a Masters in Accountancy from University College Dublin, and is a member of Chartered Accountants Ireland.

Alex Leonard

Alex Leonard is a Managing Director, Senior Portfolio Manager and Loan Trader within GSO Capital's Customised Credit Strategies Group, part of GSO Fund Management Group Europe (which was formerly Harbourmaster Capital Management prior to its acquisition by GSO in early 2012). Prior to 2012, Mr. Leonard was a Director and Co-Head of Portfolio Management and Trading at Harbourmaster, primarily involved in fund structuring, portfolio management and trading. Before joining Harbourmaster in March 2006, Mr. Leonard was a Director at Depfa with responsibility for management of Depfa's public sector asset CDO program. Prior to joining Depfa, Mr. Leonard worked for 5 years as a Senior Structurer and then Co-Head of Euro Capital Structures (the structuring team for the UniCredit Group). Prior to joining ECS, Mr. Leonard worked as a quantitative analyst in ING Barings and Airbus Industry's aerospace finance team. Mr. Leonard received an M.A. in Economics from University College Dublin and an MBA with distinction from Trinity College Dublin School of Business.

Fiona O'Connor

Fiona O'Connor is a Managing Director of the Blackstone Group LP and Head of Credit for CCS Europe. Prior to 2012, Ms. O'Connor was Head of Credit for Harbourmaster for five years, running a team of credit analysts responsible for all aspects of credit origination, investment selection and ongoing monitoring of its €7.5 billion portfolio of leveraged loans. Prior to joining Harbourmaster, Ms. O'Connor worked for Bank of Ireland, Dublin, as a Director of its Acquisition Finance Origination group and previously within its Project Finance division. Prior to joining Bank of Ireland, Ms. O'Connor worked in Corporate Credit in Australia & New Zealand Bank (ANZ) in New York and as a credit analyst in AIB in New York. Ms. O'Connor has 22 years' experience in Acquisition Finance, Project Finance and Structured Finance. She has a Masters in Business Studies from Michael Smurfit Graduate School of Business and Bachelor of Commerce from University College Dublin.

David Cunningham

David Cunningham is a Principal in GSO Capital's Customized Credit Strategies Group, part of GSO Fund Management Group Europe (which was formerly Harbourmaster Capital Management prior to its acquisition by GSO in early 2012). At Harbourmaster, Mr. Cunningham was part of the portfolio management group where he was involved in the day-to-day investment strategy for the CLOs and was also involved in capital formation and investor relations. Prior to joining Harbourmaster in 2007, Mr. Cunningham worked as a credit analyst in WGZ Bank focusing on structured finance transactions. Mr. Cunningham received his BE in Electronic Engineering from University College Dublin and his MSc in Financial & Industrial Mathematics from Dublin City University. Mr. Cunningham is also a CFA charterholder and a CAIA Charter Holder.

David Krejci

David Krejci is a Vice President in in the loan operations department of GSO Debt Funds Management Europe (formerly Harbourmaster Capital prior to its acquisition by GSO in early 2012). He is involved with internal, external data reconciliations, settlement of loans in WSO, quarterly distributions, loan administration, Wall Street Office Data maintenance, and other tasks. Mr. Krejci was formerly with Allied Irish Bank, Banking Support Services as a Bank Official, 2005-2007, involved in cash reconciliations. Mr. Krejci has a Bachelor of Business Studies in Strategic Marketing and Management from Sligo Institute of Technology and a Specialist Diploma in Investment Fund Services from The Institute of Bankers in Ireland.

Internal investment procedures

The Assigned Resources will undertake the day-to-day management and investments of BGCF as overseen by the directors of BGCF. In undertaking these activities, the Assigned Resources will utilise the credit research and analysis provided by DFME under the PSSA.

Custodial Agreement

On 2 July 2014 (as may be amended, modified or supplemented from time to time), BGCF entered into a custodial agreement with Citibank, N.A. London Branch (the "**BGCF Custodian**") pursuant to which BGCF appointed the BGCF Custodian to establish a custody account in order to allow for the receipt, safekeeping and maintenance of financial assets (other than cash) which form the BGCF Portfolio from time to time.

Account Bank Agreement

On 2 July 2014 (as may be amended, modified or supplemented from time to time), BGCF entered into an account bank agreement with Citibank, N.A. London Branch (the "**BGCF Account Bank**"), pursuant to which BGCF appointed the BGCF Account Bank to open certain cash accounts. BGCF shall use such cash accounts to, amongst other things, collect distributions on the BGCF Portfolio and to deposit other cash which it holds from time to time pending investment.

Corporate Services Agreement

Intertrust Management Ireland Limited (the "**Corporate Services Provider**"), an Irish company, acts as the corporate administrator for BGCF pursuant to the terms of the corporate services agreement entered into on 15 May 2014 (as may be amended, modified or supplemented from time to time) between BGCF and the Corporate Services Provider (the "**Corporate Services Agreement**"). Pursuant to the terms of the Corporate Services Agreement, the Corporate Services Provider performs various management functions on behalf of the Issuer, including the provision of certain clerical, reporting, accounting, administrative and other services until termination of the Corporate Services Agreement.

Fund Administration Agreement

On 10 February 2016 (with the appointment taking effect on 1 March 2016), BGCF entered into a fund administration agreement with VP Fund Services, LLC. (as may be amended, modified or supplemented from time to time) (the "**Fund Administration Agreement**"). Pursuant to the Fund Administration Agreement, VP Fund Services, LLC. agrees to provide BGCF with certain valuation, financial reporting and fund accounting services.

Sale of originated Collateral Obligations

General principles of sales to CLOs

BGCF may periodically securitise senior secured loans in the BGCF Portfolio into CLOs:

(a) which it has established; and

(b) in which it holds the CLO Securities with the intention of complying with the Retention Requirements.

The majority of assets in the portfolio of the relevant CLOs are expected to be acquired from BGCF, being provided from the BGCF Portfolio. In relation to every asset that BGCF securitises by way of sale into a CLO, BGCF:

(a) either itself or through related entities, directly or indirectly, will have been involved in the original agreement which created or will create such asset; or

(b) will have purchased such asset for its own account prior to selling such asset to the CLO.

Market risk reduction strategy of BGCF

With a view to effectively managing its access to wholesale funding and exposure to unnecessary market price volatilities of its portfolio, BGCF may from time to time enter into (A) forward purchase agreements ("**Forward Purchase Agreements**") and/or (B) funded participations ("**Funded Participations**") with CLO issuers in respect of assets in the BGCF Portfolio. Such Forward Purchase Agreements and Funded Participations may be entered into at the same time or shortly after the origination or acquisition of the relevant BGCF Portfolio asset by BGCF, at a later date, or not at all. Settlement of any such Forward Purchase Agreements entered into prior to the closing of the relevant CLO will be conditional upon:

(a) the occurrence of the closing date of the CLO; and

(b) the assets which are the subject of the Forward Purchase Agreements remaining compliant with the relevant CLO's eligibility criteria (including that the assets are not subject to defaults or other credit impairments).

If the conditions in a Forward Purchase Agreement are not fulfilled at the relevant settlement date then the relevant assets which are the subject of such Forward Purchase Agreement will remain as part of the BGCF Portfolio.

Notwithstanding the above, BGCF may from time to time:

(a) hold assets within the BGCF Portfolio to maturity;

(b) sell assets within the BGCF Portfolio to the market; or

(c) sell assets within the BGCF Portfolio into CLOs as described above.

Whilst BGCF will provide certain assets to each CLO it decides to establish, the balance of its own assets may vary from time to time depending on, amongst other things:

(a) the availability of CLO funding generally;

(b) the required eligibility criteria and profile of CLOs which BGCF desires to establish and invest in (including a variation in the stringency of rating agency criteria on eligibility criteria and portfolio requirements and investor requirements in the CLO marketplace);

(c) any changes in legal and/or regulatory requirements on CLOs and their eligibility criteria, constitution or concentration;

(d) BGCF's view on the desired constitution of its own portfolio;

(e) decisions by BGCF on the potential yield it may achieve from holding assets in the BGCF Portfolio directly as opposed to through CLO Securities; and/or

(f) any other factors BGCF considers relevant for the effective management of the BGCF Portfolio.

THE PORTFOLIO

The following description of the Portfolio 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.

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 is 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 cause to be acquired by the Issuer a portfolio of Secured Senior Obligations (which may consist of Secured Senior Loans and/or Secured Senior Notes), Unsecured Senior Loans, Second Lien Loans, Mezzanine Obligations and High Yield Bonds during the Initial Investment Period, the Reinvestment Period and thereafter. The Issuer anticipates that, by the Issue Date, it will have purchased or committed to purchase Collateral Obligations (including the Issue Date BGCF Assets acquired pursuant to the BGCF Participation Deed), the Aggregate Principal Balance of which is equal to at least €396,000,000 which is approximately 72 per cent. of the Target Par Amount. The estimated net proceeds of the issue of the Notes after payment of fees and expenses (including the deposit of funds in the Expense Reserve Account for payment of fees and expenses) payable on or about the Issue Date shall be (a) used to fund the First Period Reserve Account in an amount equal to €2,000,000 and (b) deposited into the Collection Account and transferred to the Unused Proceeds Account to be utilised (together with the amounts credited to the First Period Reserve Account) to fund (i) the acquisition of the Issue Date BGCF Assets complying with the Eligibility Criteria (whether acquired by way of Participations or otherwise) purchased prior to the Issue Date and (ii) the acquisition of Collateral Obligations complying with the Eligibility Criteria purchased by the Issuer during the Initial Investment Period (as defined in the Conditions). 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 and the First Period Reserve Account during the Initial Investment Period.

The Issuer may not acquire any Collateral Obligation (whether during the Initial Investment Period, the Reinvestment Period or thereafter) or dispose of any Collateral Obligation except for Credit Risk Obligations and Defaulted Obligations (during the Reinvestment Period) unless the Originator Requirement is satisfied immediately after giving effect to such acquisition or disposal, as applicable (but solely in accordance with the definition thereof and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition).

The Issuer does not expect and is not required to satisfy the Collateral Quality Tests, the Portfolio Profile Tests, the Coverage Tests, the Reinvestment Par Value Test or the Post-Reinvestment Period 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 October 2016, subject to the Effective Date Determination Requirements being satisfied.

On or after the Effective Date, the Balance standing to the credit of the Unused Proceeds Account will be transferred to the Principal Account and/or the Interest Account, in each case, at the discretion of the Collateral Manager (acting on behalf of the Issuer), provided that as at such date: (i) the Issuer has acquired or entered into binding commitments to acquire Collateral Obligations, the Aggregate Principal Balance of which equals or exceeds the Target Par Amount; and (ii) no more than 1 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, 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 Collateral Manager, the Hedge Counterparties and the Rating Agencies *provided that*, for the purposes of determining the Aggregate Principal Balance as provided above, the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its S&P Collateral Value and the Issuer will provide, or cause the Collateral Manager to provide to the Trustee and the Collateral Administrator, an accountants' certificate confirming the Aggregate Principal Balance of all Collateral Obligations purchased or committed to be purchased as at such 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 (i) if the Effective Date Moody's Condition is satisfied then such rating confirmation shall be deemed to have been received from Moody's and (ii) if the Effective Date Non-Model CDO Monitor Test is satisfied such rating confirmation shall be deemed to have been received from S&P. If the Effective Date Moody's Condition is not satisfied within 20 Business Days following the Effective Date the Collateral Manager shall promptly notify Moody's. If (i) the Effective Date Determination Requirements are not satisfied 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 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 the 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 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, satisfy the following criteria (the "**Eligibility Criteria**") as determined by the Collateral Manager in its reasonable discretion:

(a) it is a Secured Senior Obligation (which may include a PIK Security), a Corporate Rescue Loan, an Unsecured Senior Loan, a Mezzanine Obligation (which may include a PIK Security), a Second Lien Loan (which may include a PIK Security) or a High Yield Bond;

(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 Non-Emerging Market 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 Defaulted Obligation, a Credit Risk Obligation or Equity Security, including any obligation convertible into an Equity Security;

(d) it is not a lease (including, for the avoidance of doubt, a financial lease);

(e) it is not a Structured Finance Security, a Letter of Credit or a Synthetic Security;

(f) it provides for a fixed amount of principal payable in cash on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortisation or prepayment in each case at a price of less than par;

(g) it is not a Zero Coupon Security, Step-Up Coupon Security or Step-Down Coupon Security;

(h) it does not constitute "margin stock" (as defined under Regulation U issued by the Board of Governors of the United States Federal Reserve System);

(i) it is an obligation in respect of which, following acquisition thereof by the Issuer by the selected method of transfer, payments to the Issuer under or in respect of disposals of the obligation 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 or indemnity payments to the Issuer that cover the full amount of any such withholding or direct tax due on an after-tax basis;

(j) other than in the case of a Corporate Rescue Loan (which shall have a rating as determined by the definition of "Moody's Rating" and "S&P Rating" as applicable), it is an obligation which has a Moody's Rating of "Caa3" or higher and an S&P Rating of "CCC" or higher;

(k) 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;

(l) it will not result in the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer other than those:

(i) which may arise at its option;

(ii) which are fully collateralised;

(iii) which are 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 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

(v) which are Delayed Drawdown Collateral Obligation or Revolving Obligations,

provided that, in respect of paragraph (v) only, that the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer following such restructuring shall not exceed the redemption amounts from such restructured Collateral Obligation;

(m) it will not require the Issuer or the Collateral to be registered as an investment company under the Investment Company Act;

(n) it is not a debt obligation that pays scheduled interest less frequently than semi-annually (other than, for the avoidance of doubt, PIK Securities);

(o) it is not a debt obligation which pays interest only and does not require the repayment of principal;

(p) 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;

(q) the Collateral Obligation Stated Maturity thereof falls prior to the Maturity Date of the Notes;

(r) 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, stamp duty reserve tax or similar tax or duty has been included in the purchase price of such Collateral Obligation;

(s) upon acquisition, both the Collateral Obligation is capable upon settlement of being, and will upon settlement 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;

(t) is an obligation of an Obligor or Obligors Domiciled in a Non-Emerging Market Country (as determined by the Collateral Manager acting on behalf of the Issuer);

(u) 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;

(v) it is a "qualifying asset" for the purposes of section 110 of the TCA;

(w) it has not been called for, and is not subject to a pending, redemption;

(x) it is capable of being sold, assigned or participated to the Issuer, together with any associated security, in a legally valid and enforceable manner 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 or participation under any applicable law;

(y) 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;

(z) it is not a Project Finance Loan;

(aa) it is in registered form for U.S. federal income tax purposes, unless it is not a "registration-required obligation" as defined in Section 163(f) of the U.S. Internal Revenue Code;

(bb) 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 a majority of lenders or holders, as applicable;

(cc) it is an "eligible asset" (as defined in Rule 3a-7) or an asset otherwise permitted under Rule 3a-7 (so long as the Trading Requirements are applicable);

(dd) it does not have an "f", "r", "p", "pi", "q", "(sf)" or "t" subscript assigned by S&P; and

(ee) it is not an obligation for which the total potential indebtedness of the Obligor thereof under all underlying instruments governing such Obligor's indebtedness has an aggregate principal amount (whether drawn or undrawn) of less than €100,000,000;

(ff) it has a minimum purchase price of 60 per cent. of the Principal Balance of such Collateral Obligation; and

(gg) in the case of a Revolving Obligation or a Delayed Drawdown Collateral Obligation, such obligation does not permit any other person to accede thereto as an issuer or borrower thereunder without the consent of the Issuer.

Other than (i) Issue Date Collateral Obligations which must satisfy the Eligibility Criteria on the Issue Date and (ii) Collateral Obligations which are the subject of a restructuring (whether effected by way of an amendment to the terms of such Collateral Obligation or by way of substitution of new obligations and/or change of Obligor) which must satisfy the Restructured Obligation Criteria on the applicable Restructuring Date, the subsequent failure of any Collateral 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 (as determined by the Issuer, assisted by the Collateral Manager) the subject of a restructuring whether effected by way of an amendment to the terms of such Collateral Obligation (including but not limited to an amendment of its maturity date) or by way of substitution of new obligations and/or change of Obligor, such obligation shall only constitute a Restructured Obligation if such obligation satisfies the following criteria (the "**Restructured Obligation Criteria**"), in each case as determined by the Collateral Manager in its reasonable discretion:

(a) paragraphs (a), (b), (d), (e), (f), (g), (h), (i), (k), (l), (m), (n), (o), (p), (q), (r), (s), (t), (u), (v), (w) (notwithstanding the fact that a Collateral Obligation is subject to a pending redemption, provided that if the redemption price of such Collateral Obligation is expected to be 100 per cent. of the Principal Balance of such Collateral Obligation, such Collateral Obligation will be considered to satisfy the Restructured Obligation Criteria), (x), (y), (z), (aa), (bb), (cc) and (dd) of the Eligibility Criteria;

(b) no Retention Deficiency occurs as a result of, or immediately after giving effect to, such restructuring;

(c) it has an S&P Rating; and

(d) it is not an Equity Security or an obligation convertible into an Equity Security.

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

Overview

The Collateral Manager (acting on behalf of the Issuer) is permitted, in certain circumstances and, subject to certain requirements (including the Trading Requirements (so long as they are applicable)), 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 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 use reasonable endeavours to cause to be purchased by the Issuer, Collateral Obligations (including all Substitute Collateral Obligations) taking into account the Eligibility Criteria, the Trading Requirements (so long as they are applicable) 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.

Sale of Issue Date Collateral Obligations

The Collateral Manager, acting on behalf of the Issuer, shall (in accordance with the Trading Requirements (so long as they are applicable)) sell any Non-Eligible Issue Date Collateral Obligation. Any Sale Proceeds received in connection therewith (in accordance with the Trading Requirements (so long as they are applicable)) may be reinvested in Substitute Collateral Obligations satisfying the Eligibility Criteria or credited to the Principal Account pending such reinvestment.

Terms and Conditions applicable to the Sale of Credit Risk Obligations, Credit Improved Obligations, Defaulted Obligations and Equity Securities

Credit Improved Obligations may be sold (in accordance with the Trading Requirements (so long as they are applicable)) at any time by the Collateral Manager (acting on behalf of the Issuer), subject to:

(a) the Originator Requirement being satisfied immediately after giving effect to such sale, unless such sale is effected following the expiry of the Reinvestment Period (but solely in accordance with the definition thereof and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition); and

(b) within the Collateral Manager's knowledge (without the need for inquiry or investigation), no Event of Default having occurred which is continuing.

Credit Risk Obligations and Defaulted Obligations may be sold (in accordance with the Trading Requirements (so long as they are applicable)) at any time by the Collateral Manager (acting on behalf of the Issuer), provided that, within the Collateral Manager's knowledge (without the need for inquiry or investigation), no Event of Default has occurred which is continuing.

The Collateral Manager shall use commercially reasonable endeavours (in accordance with the Trading Requirements (so long as they are applicable)) to effect the sale of any Equity Securities in the Portfolio.

Terms and Conditions applicable to the Sale of Exchanged Equity Securities

Any Exchanged Equity Security may be sold (in accordance with the Trading Requirements (so long as they are applicable)) 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 best efforts (in accordance with the Trading Requirements (so long as they are applicable)) to sell (on behalf of the Issuer) any Exchanged Equity Security which constitutes Margin Stock, within 3 years 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.

Discretionary Sales

The Issuer or the Collateral Manager (acting on behalf of the Issuer) may (in accordance with the Trading Requirements (so long as they are applicable)) 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 provided:

(a) no Event of Default having 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 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 25 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);

(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 additional Collateral Obligations within 60 days after the settlement of such sale in accordance with the Reinvestment Criteria; or

(ii) at any time, either:

(A) the Sale Proceeds of such Collateral Obligation are at least equal to the Principal Balance of such Collateral Obligation; or

(B) after giving effect to such sale, the Aggregate Principal Balance of all the Collateral Obligations (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 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;

(d) if such disposal occurs during the Reinvestment Period (with the exception of the disposal of Credit Risk Obligations and Defaulted Obligations), the Originator Requirement is satisfied immediately after giving effect to such disposal (solely in accordance with the definition of Originator Requirement and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition); and

(e) no Retention Deficiency occurs as a result of, or immediately after giving effect to, such disposal.

For the purposes of determining the percentage of Collateral Obligations sold during any such period, the amount of any Collateral Obligations sold will be reduced to the extent of any purchases of Collateral Obligations of the same Obligor (which are *pari passu* or senior to such sold Collateral Obligations) occurring within 45 Business Days of such sale (determined based upon the date of any relevant trade confirmation or commitment letter) so long as any such Collateral Obligation was sold with the intention of purchasing a Collateral Obligation of the same Obligor (which would be *pari passu* or senior to such sold Collateral Obligation).

Restricted Trading Period

The Issuer or the Collateral Manager (acting on its behalf) shall promptly notify S&P and Moody's upon the occurrence of a Restricted Trading Period.

Sale of Collateral Prior to Maturity Date

In the event of:

(a) any redemption of the Rated Notes in whole prior to the Maturity Date;

(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 (if requested by the Trustee following the enforcement of such security), as far as reasonably practicable, arrange for liquidation of the Collateral in order to procure that the proceeds thereof are in immediately available funds by the Business Day prior to the applicable Redemption Date or date of sale of all or part of the Portfolio, 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 (which will include any limitations or restrictions set out in the Conditions and the Trust Deed).

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 (in accordance with the Trading Requirements (so long as they are applicable)) 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.

Right to Cure

The Collateral Manager shall have the right to cure any breach of any of the Portfolio Profile Tests or Collateral Quality Tests which occurs upon the acquisition of an additional Collateral Obligation or Substitute Collateral Obligation by selling any Collateral Obligation that the Collateral Manager, in its sole discretion, deems appropriate; provided that any such sale shall be in compliance with the requirements set out herein regarding disposal of Collateral Obligations.

Reinvestment of Collateral Obligations

"**Reinvestment Criteria**" means, during the Reinvestment Period, the criteria set out under "*During the Reinvestment Period*" below and following the expiry of the Reinvestment Period, the criteria set out below under "*Following the Expiry of the Reinvestment Period*". The Reinvestment Criteria (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.

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 (and, for so long as they are applicable, the Trading Requirements are satisfied) provided that immediately after entering into a binding commitment to acquire such Collateral Obligation and taking into account existing commitments, the criteria set out below (which criteria, other than the Eligibility Criteria, shall apply only after the Effective Date) must be satisfied:

(a) to the 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;

(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 (other than with respect to the reinvestment of any proceeds received upon the sale of, or as a recovery on, any Defaulted Obligation, such proceeds may only be reinvested if the Coverage Tests will be satisfied immediately following such reinvestment) 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;

(d) in the case of a Substitute Collateral Obligation purchased with Sale Proceeds of a Credit Risk Obligation or a Defaulted Obligation any of:

(i) the Aggregate Principal 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 (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation is its Market Value multiplied by its Principal Balance) will be maintained or increased when compared to the Aggregate Principal Balance of the Collateral Obligations (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation is its Market Value multiplied by its Principal Balance) immediately prior to such sale;

(iii) 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 Obligation and, for which purpose, the Principal Balance of each Defaulted Obligation shall be its Market Value multiplied by its Principal Balance); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments (save for interest accrued on Eligible Investments) acquired with cash standing to the credit of such Accounts) is equal to or greater than the Reinvestment Target Par Balance; or

(iv) the Adjusted Collateral Principal Amount is maintained or increased;

(e) in the case of a Substitute Collateral Obligation purchased with Sale Proceeds of a Credit Improved Obligation either:

(i) the Aggregate Principal Balance of all Collateral Obligations (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation is its Market Value multiplied by its Principal Balance) shall be maintained or improved after giving effect to such reinvestment when compared with the Aggregate Principal Balance (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation is its Market Value multiplied by its Principal Balance) immediately prior to the sale that generates such Sale Proceeds;

(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 Obligation and, for which purpose, the Principal Balance of each Defaulted Obligation shall be its Market Value multiplied by its Principal Balance); and

(B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments (save for interest accrued on Eligible Investments)),

is equal to or greater than the Reinvestment Target Par Balance; or

(iii) the Adjusted Collateral Principal Amount is maintained or increased;

(f) either:

(i) each of the Portfolio Profile Tests and the Collateral Quality Tests will be satisfied; or

(ii) as calculated immediately prior to any purchase of a Substitute Collateral Obligation, if any of the Portfolio Profile Tests or Collateral Quality Tests are not satisfied such tests will be maintained or improved after giving effect to such reinvestment,

provided that in the case of Substitute Collateral Obligation purchased with the Sale Proceeds of a Credit Impaired Obligation or a Defaulted Obligation, the S&P CDO Monitor Test will not apply;

(g) with respect to the reinvestment of Sale Proceeds (other than Sale Proceeds from Credit Improved Obligations, Credit Risk Obligations, Defaulted Obligations and Exchanged Equity Securities) Scheduled Principal Proceeds and/or Unscheduled Principal Proceeds (as applicable) any of:

(i) the Aggregate Principal Balance of all Collateral Obligations (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation is its Market Value multiplied by its Principal Balance) shall be maintained or improved after giving effect to such reinvestment when compared with the Aggregate Principal Balance (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation is its Market Value multiplied by its Principal Balance) immediately prior to the sale that generates such Sale Proceeds or the generation of such Scheduled Principal Proceeds or Unscheduled Principal Proceeds (as applicable); 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 its Market Value multiplied by its Principal Balance); and

(B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments (save for interest accrued on Eligible Investments) acquired with cash standing to the credit of such Accounts),

is equal to or greater than the Reinvestment Target Par Balance; or

(iii) the Adjusted Collateral Principal Amount is maintained or increased;

(h) the Originator Requirement is satisfied immediately after giving effect to such reinvestment (but solely in accordance with the definition thereof and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition);

(i) no Retention Deficiency occurs as a result of, or immediately after giving effect to, such reinvestment; and

(j) for so long as any of the Class A-1 Notes are Outstanding:

(i) the Class A Par Value Test will be satisfied; and

(ii) the S&P rating and the Moody's rating of the Class A-1 Notes are the same as those assigned to the Class A-1 Notes on the Issue Date,

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 from 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, and, for so long as they are applicable, the Trading Requirements are satisfied, in each case provided that:

(a) the Aggregate Principal Balance of Substitute Collateral Obligations 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,

as the case may be;

(b) the Weighted Average Life Test was satisfied on the last Business Day of the Reinvestment Period;

(c) each of the Weighted Average Life Test and 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 Weighted Average Life Test, the Moody's Maximum Weighted Average Rating Factor Test, the S&P CDO Monitor 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 immediately 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;

(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 consist of obligations which are S&P CCC Obligations;

(j) after giving effect to the reinvestment, not more than 7.5 per cent. of the Collateral Principal Amount consist of obligations which are Moody's Caa Obligations;

(k) the Originator Requirement is satisfied immediately after giving effect to such reinvestment (solely in accordance with the definition thereof and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition);

(l) no Retention Deficiency occurs as a result of, and immediately after giving effect to, such reinvestment;

(m) such Substitute Collateral Obligation(s) have the same or a higher S&P Rating as the Collateral Obligation that produced such Unscheduled Principal Proceeds or Sale Proceeds, as the case may be; and

(n) for so long as any of the Class A-1 Notes are Outstanding:

(i) the Class A Par Value Test will be satisfied; and

(ii) the S&P Rating and the Moody's Rating of the Class A-1 Notes are the same as those assigned to the Class A-1 Notes on the Issue Date.

Following the expiry of the Reinvestment Period, any Unscheduled Principal Proceeds and any Sale Proceeds from the sale of Credit Risk 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 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 30 days following their receipt by the Issuer; provided that, in each case where any of the applicable Reinvestment Criteria are not satisfied as of the Payment Date following receipt of such Sale Proceeds or Unscheduled Principal Proceeds, all such funds shall be paid into the Principal Account and disbursed in accordance with the Principal 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.

Unsaleable Assets

Notwithstanding the other requirements set forth herein and in the Trust Deed (other than the Trading Requirements (for so long as they are applicable)), on any Business Day after the Reinvestment Period, if the Collateral Manager reasonably anticipates that the Notes will be redeemed in full, the Collateral Manager, acting in a commercially reasonable manner, may (in anticipation and for the purposes of effecting such redemption) conduct an auction on behalf of the Issuer of Unsaleable Assets in accordance with the procedures described in this paragraph. Promptly after receipt of written notice from the Collateral Manager of such auction, the Principal Paying Agent will provide notice (in such form as is prepared by the Collateral Manager) to the Noteholders of an 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 within 10 Business Days after the date of such notice 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 within the time period specified under clause (a) above, unless the Collateral Manager determines that delivery in-kind is not legally or commercially practicable and provides written notice thereof to the Principal Paying Agent, the Principal Paying Agent will provide notice thereof to each Noteholder and the Collateral Manager shall offer to deliver (at such Noteholder's expense) a *pro rata* portion (as determined by the Collateral Manager) of each unsold Unsaleable Asset to the Noteholders or Beneficial Owners of the most senior Class that provide delivery instructions to the Collateral Administrator on or before the date specified in such notice, subject to minimum denominations; *provided* that, to the extent that minimum denominations do not permit a *pro rata* distribution, the Collateral Administrator will distribute the Unsaleable Assets on a *pro rata* basis to the extent possible and the Collateral Manager will select by lottery the Noteholder or Beneficial Owner to whom the remaining amount will be delivered and deliver written notice thereof to the Collateral Administrator; *provided*, *further*, that the Collateral Administrator will use commercially reasonable efforts to effect delivery of such interests; and

(d) if no such Noteholder or Beneficial Owner provides delivery instructions to the Collateral Administrator, the Collateral Administrator will promptly notify the Collateral Manager and offer to deliver (at the cost of the Collateral Manager) the Unsaleable Asset to the Collateral Manager. If the Collateral Manager declines such offer, the Collateral Administrator will take such action as directed by the Collateral Manager (on behalf of the Issuer) in writing to dispose of the Unsaleable Asset, which may be by donation to a charity, abandonment or other means. For the avoidance of doubt, any sale or delivery of an Unsaleable Asset to any Noteholder will not result in a decrease in the Principal Amount Outstanding of the Notes.

The Trading Requirements

Notwithstanding anything to the contrary herein, the Issuer (or the Collateral Manager on its behalf) will not acquire (whether by purchase or substitution) or dispose of any Portfolio asset unless the Trading Requirements are satisfied in connection with such acquisition or disposition, provided that at any time, the Issuer or the Collateral Manager (on behalf of the Issuer) may elect (by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*)) to rely solely on the exemption

under Section 3(c)(7) under the Investment Company Act and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7 following receipt by the Issuer or the Collateral Manager (on behalf of the Issuer) of a legal opinion (which shall be addressed to the Trustee) from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule and, for so long as any of the Class A-1 Notes remain Outstanding, the holders of the Class A-1 Notes, acting by way of an Ordinary Resolution, have consented thereto, in which case, at all times thereafter, there will be no Trading Requirements, and all references to such requirements in the Trust Deed and other Transaction Documents shall no longer be in effect. See "*Risk Factors – Regulatory Initiatives – Issuer Reliance on Rule 3a-7*" and "*Risk Factors – Relating to the Collateral – The Portfolio*".

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;

(b) the Weighted Average Life Test is satisfied;

(c) the Originator Requirement is satisfied immediately after giving effect to such Maturity Amendment (but solely in accordance with the definition thereof and only to the extent such requirement has not been modified in accordance with paragraph (II) of the proviso to such definition); and

(d) no Retention Deficiency occurs as a result of, and immediately after giving effect to, such Maturity Amendment.

provided that if the Issuer or the Collateral Manager has not voted in favour of a Maturity Amendment which would contravene the requirements of this paragraph but by way of scheme of arrangement or otherwise, the Collateral Obligation Stated Maturity has been extended, the Issuer or the Collateral Manager acting on its behalf may but shall not be required to sell such Collateral Obligation provided that in any event the Collateral Manager shall be required to dispose of such Collateral Obligation prior to the Maturity Date, in each case such sale being subject to no Retention Deficiency occurring as a result of, and immediately after giving effect to, such sale.

Such proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria and the Trading Requirements (so long as they are applicable).

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.

Reinvestment Par Value Test

If, on any Determination Date on and after the Effective Date and during the Reinvestment Period, after giving effect to the payment of all amounts payable in respect of paragraphs (A) 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:

(a) 50 per cent. of all remaining Interest Proceeds available for payment; and

(b) the amount which, after giving effect to such payment, would be sufficient to cause the Reinvestment Par Value Test to be satisfied.

Post-Reinvestment Period Par Value Test

If the Class D Par Value Ratio is less than 108.88 per cent., as of any Determination Date after the expiry of the Reinvestment Period, on the related Payment Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes in accordance with and subject to the Note Payment Sequence in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until such test is satisfied if recalculated following such redemption.

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:

(a) Purchased Accrued Interest; and

(b) any interest received in respect of a Defaulted Obligation other than Defaulted Obligation Excess Amounts.

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 Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was purchased at the time of acquisition thereof with Principal Proceeds and/or principal amounts from the Unused Proceeds Account shall constitute Purchased Accrued Interest and shall be deposited into the Principal Account as Principal Proceeds.

Block Trades

The requirements described herein with respect to the Portfolio shall be deemed to be satisfied upon any sale and/or purchase of Collateral 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:

(a) no Trading Plan may result in the purchase of Collateral Obligations having an Aggregate Principal Balance that exceeds 5 per cent. of the Collateral Principal Amount as of the first day of the Trading Plan Period (*provided that*, for the purposes of calculating such threshold, the Principal Balance of all Defaulted Obligations shall be their S&P Collateral Value);

(b) no Trading Plan Period may include a Payment Date;

(c) no more than one Trading Plan may be in effect at any time during a Trading Plan Period;

(d) if the Reinvestment Criteria are satisfied prospectively after giving effect to a Trading Plan, but are not satisfied upon the completion of the related Trading Plan, Rating Agency Confirmation from S&P is obtained with respect to the effectiveness of additional Trading Plans (it being understood that Rating Agency Confirmation from S&P shall only be required once following any failure of a Trading Plan); and

(e) no Trading Plan may be entered into if (i) the differential between the shortest and the longest maturity of the related Collateral Obligations is greater than 3 years or (ii) any of the Collateral Obligations have a Collateral Obligation Stated Maturity of fewer than 6 months,

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 (a) to (c) 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. In addition, when calculating compliance with the Reinvestment Criteria, where a particular criterion in the Reinvestment Criteria only applies to one or some, but not all, of the Collateral Obligations in a Trading Plan, (a) that criterion shall apply to the relevant Collateral Obligation(s) only, (b) only those Collateral Obligations shall be aggregated for the purpose of calculating compliance with that criterion, and (c) the other Collateral Obligations in the Trading Plan shall not be taken into consideration for the purposes of calculating compliance with that criterion.

Eligible Investments

Subject to the Trading Requirements (so long as they are applicable), 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, the Collection Account, Unfunded Revolver Reserve Account and the Payment Account). For the avoidance of doubt, Eligible Investments may be sold (in accordance with the Trading Requirements (so long as they are applicable)) by the Issuer or the Collateral Manager (acting on behalf of the Issuer) at any time.

Collateral Enhancement Obligations

The Collateral Manager (acting on behalf of the Issuer) may, from time to time, purchase (in accordance with the Trading Requirements (so long as they are applicable)) 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 and the proceeds from additional issuances of Subordinated Notes pursuant to Condition 17(b) (*Additional Issuances*). 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 provided that the Trading Requirements (so long as they are applicable) are satisfied 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 satisfaction of, or requirement to satisfy, any of the Coverage Tests, Portfolio

Profile Tests, Collateral Quality Tests, the Reinvestment Par Value Test or the Post-Reinvestment Period Par Value Test.

Exercise of Warrants and Options

The Collateral Manager acting on behalf of the Issuer may at any time exercise (in accordance with the Trading Requirements (so long as they are applicable)) a warrant or option attached to a Collateral Obligation or comprised in a Collateral Enhancement Obligation and shall on behalf of the Issuer instruct the Account Bank to make any necessary payment pursuant to a duly completed form of instruction.

Margin Stock

The Collateral Management and Administration Agreement requires that the Collateral Manager, on behalf of the Issuer, shall use reasonable endeavours to sell (in accordance with the Trading Requirements (for so long as they are applicable)) 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.

"**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.

Revolving Obligations and Delayed Drawdown Collateral Obligations

The Collateral Manager acting on behalf of the Issuer may acquire (in accordance with the Trading Requirements (for so long as they are applicable)) 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.

Participations

The Collateral Manager, acting on behalf of the Issuer, may from time to time (in accordance with the Trading Requirements (so long as they are applicable)) acquire Collateral 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, provided that, any guarantee in respect of the

obligations of Selling Institutions must satisfy the then current S&P guarantee criteria), 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 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); or

(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 in respect of the Issuer substantially the same as that set out in the Trust Deed,

provided however that in the case only of the BGCF Participation Deed, paragraphs (i) and (ii) above shall not apply and the BGCF Participation Deed shall include the following terms:

(A) the terms of the BGCF Participation Deed require that the Issuer and BGCF use commercially reasonable efforts to, as soon as reasonably practicable, elevate the applicable Participation by transferring to the Issuer the legal and beneficial interest in the relevant Issue Date BGCF Asset; and

(B) on or around the Issue Date, BGCF shall grant to the Issuer security over the relevant Issue Date BGCF Asset pending such transfer of legal and beneficial interest.

Assignments

The Collateral Manager acting on behalf of the Issuer may from time to time (in accordance with the Trading Requirements (so long as they are applicable)) acquire Collateral 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 their control, with any requirements relating to such Assignment set out in the relevant loan documentation 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 loan documentation).

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

Bivariate Risk Table

The following is the bivariate risk table (the "**Bivariate Risk Table**") and as referred to in "*Portfolio Profile Tests*" below and "*Participations*" above. For the purposes of the limits specified in the Bivariate Risk Table, the individual third party credit exposure limit shall be determined by reference to the Aggregate Principal Balance of all Participations (excluding any Defaulted Obligations and Issue Date BGCF Assets) entered into by the Issuer with the same counterparty (such amount in respect of such entity, the "**Third Party Exposure**") and the applicable percentage limits shall be determined by reference to the lower of the S&P Ratings or Moody's Ratings applicable to such counterparty and the aggregate third party credit exposure limit shall be determined by reference to the aggregate of Third Party Exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

Bivariate Risk Table

Long-Term Issuer Credit Rating of Selling Institution	**Individual Third Party Credit Exposure Limit***	**Aggregate Third Party Credit Exposure Limit***
Moody's		

Aaa	5%	5%
Aa1	5%	5%
Aa2	5%	5%
Aa3	5%	5%
A1	5%	5%
A2 and P-1	5%	5%
A3 or below	0%	0%

Issuer Credit Rating of Selling Institution	**Individual Third Party Credit Exposure Limit***	**Aggregate Third Party Credit Exposure Limit***
S&P		
AAA	5%	5%
AA+	5%	5%
AA	5%	5%
AA–	5%	5%
A+	5%	5%
A	5%	5%
A– or below	0%	0%

*As a percentage of the Collateral Principal Amount (excluding any Defaulted Obligations) the aggregate third party credit exposure limit shall be determined by reference to the aggregate of the third party credit exposure of all such Counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

6 PORTFOLIO PROFILE TESTS AND COLLATERAL QUALITY TESTS

Measurement of Tests

The Portfolio Profile Tests and the Collateral Quality Tests will be used as criteria for purchasing Collateral Obligations. The Collateral Administrator will measure the Portfolio Profile Tests and the Collateral Quality Tests on each Measurement Date (save as otherwise provided herein).

Substitute Collateral Obligations in respect of which a binding commitment has been made to purchase such 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, the Post-Reinvestment Period 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, the Post-Reinvestment Period 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.

Portfolio Profile Tests

The Portfolio Profile Tests will consist of each of the following:

(a) not less than 90.0 per cent. of the Collateral Principal Amount shall consist of obligations which are Secured Senior Obligations (which term, for the purposes of this paragraph (a), shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Obligations 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 10.0 per cent. of the Collateral Principal Amount shall consist of Unsecured Senior Loans, Second Lien Loans, Mezzanine Obligations, High Yield Bonds and First Lien Last Out Loans;

(c) not less than 70.0 per cent. of the Collateral Principal Amount shall consist of obligations which are Secured Senior Loans (which term, for the purposes of this paragraph (c), 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));

(d) (i) in the case of all Collateral Obligations, not more than 2.5 per cent. of the Collateral Principal Amount shall be the obligation of any single Obligor, (ii) in the case of Secured Senior Obligations, not more than 2.5 per cent. of the Collateral Principal Amount shall be the obligation of any single Obligor and (iii) in the case of Collateral Obligations which are not Secured Senior Obligations, not more than 1.5 per cent. of the Collateral Principal Amount shall be the obligation of any single Obligor;

(e) not more than 30.0 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 5.0 per cent. of the Collateral Principal Amount shall consist of Participations (excluding Issue Date BGCF Assets);

(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 shall consist of S&P CCC Obligations;

(j) not more than 7.5 per cent. of the Collateral Principal Amount shall consist of Moody's Caa Obligations;

(k) not more than 3.0 per cent. of the Collateral Principal Amount shall consist of Bridge Loans;

(l) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of Corporate Rescue Loans;

(m) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of obligations which are PIK Securities;

(n) not more than 5.5 per cent. of the Collateral Principal Amount shall consist of obligations which are Fixed Rate Collateral Obligations;

(o) not more than 12 per cent. of the Collateral Principal Amount shall be obligations comprising any one S&P Industry Classification Group, provided that up to two Industry Classification Groups may each comprise no more than 15 per cent. of the Collateral Principal Amount and further provided that any three S&P Industry Classification Groups may together comprise no more than 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 obligations whose S&P Rating is derived from a Moody's Rating;

(r) not more than 10.0 per cent. of the Collateral Principal Amount shall consist of Obligors who are Domiciled in countries or jurisdictions rated below "A-" by S&P unless Rating Agency Confirmation from S&P is obtained in relation to the non-application of such limit;

(s) 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 of "A1" or below by Moody's unless Rating Agency Confirmation from Moody's is obtained in relation to the non-application of such limit;

(t) not more than 30.0 per cent. of the Collateral Principal Amount shall consist of Cov-Lite Loans;

(u) not more than 80.0 per cent. of the Collateral Principal Amount shall consist of Cov-Lite Obligations;

(v) not more than 10.0 per cent. of the Collateral Principal Amount shall consist of Obligors Domiciled in Greece, Portugal, Spain or Italy;

(w) not more than 20.0 per cent. of the Collateral Principal Amount shall consist of obligations of an Obligor which is a Portfolio Company;

(x) no more than 20.0 per cent. of the Collateral Principal Amount shall consist of Collateral Obligations of the ten largest Obligors, such Obligors being determined by the proportion of the Aggregate Principal Balance of all Collateral Obligations they each represent at the relevant date of determination;

(y) not more than 7.5 per cent. of the Collateral Principal Amount shall consist of Obligors whose total indebtedness is between EUR 100 million and EUR 200 million (inclusive) or the equivalent thereof at the Spot Rate; and

(z) the limits set forth in the Bivariate Risk Table determined by reference to the ratings of Selling Institutions shall be satisfied.

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.

"**S&P Industry Classification Group**" means an industry classification set out in the table below or as otherwise modified, amended or replaced by S&P from time to time:

Asset Code	Asset Description
1	Aerospace & Defense
2	Air transport
3	Automotive
4	Beverage & Tobacco
5	Radio & Television
7	Building & Development
8	Business equipment & services
9	Cable & satellite television
10	Chemicals & plastics
11	Clothing/textiles
12	Conglomerates

13	Containers & glass products
14	Cosmetics/toiletries
15	Drugs
16	Ecological services & equipment
17	Electronics/electrical
18	Equipment leasing
19	Farming/agriculture
20	Financial Intermediaries
21	Food/drug retailers
22	Food products
23	Food service
24	Forest products
25	Health care
26	Home furnishings
27	Lodging & casinos
28	Industrial equipment
30	Leisure goods/activities/movies
31	Nonferrous metals/minerals
32	Oil & gas
33	Publishing
34	Rail industries
35	Retailers (except food & drug)
36	Steel
37	Surface transport
38	Telecommunications
39	Utilities
40	Mortgage REITs
41	Equity REITs and REOCs
43	Life Insurance
44	Health Insurance
45	Property & Casualty Insurance

46	Diversified Insurance

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; and

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

(b) so long as any Notes rated by S&P are Outstanding:

(i) (as of the Effective Date and until the expiry of the Reinvestment Period only) the S&P CDO Monitor Test; and

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

(c) so long as any Rated Notes are Outstanding:

(i) the Minimum Weighted Average Floating Spread Test; and

(ii) 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.

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 Moody's test matrix to be set out in the Collateral Management and Administration Agreement (the "**Moody's Test Matrix**"), and which of the cases set forth in such Moody's Test Matrix, shall be applicable for purposes of the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Diversity Test and the Minimum Weighted Average Floating Spread Test. For any given case:

(a) the percentage of the Collateral Principal Amount consisting of Fixed Rate Collateral Obligations as of such Measurement Date is less than or equal to the maximum percentage of Fixed Rate Collateral Obligations specified in such Moody's Test Matrix;

(b) 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;

(c) the applicable row for performing the Minimum Weighted Average Floating Spread Test will be the row (or a linear interpolation between the two rows containing the values closest to the elected test, as applicable) in which the elected test is set out; and

(d) 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 the two rows containing the values closest to the elected test and/or a linear interpolation between 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 Moody's Test Matrix and which case set forth in the applicable Moody's Test Matrix 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 Moody's Test Matrix and/or case set forth in the applicable Moody's Test Matrix apply, provided that the Moody's Minimum Diversity Test, the Moody's Maximum Weighted Average Rating Factor Test and the Minimum Weighted Average Floating Spread Test applicable to the case (and Moody's Test Matrix if applicable) to which the Collateral Manager desires to change are satisfied (and, in relation to the Minimum Weighted Average Floating Spread Test, taking into account the case that the Collateral Manager has elected to apply under the S&P Matrix) 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 Moody's Test Matrix or case set forth in such Moody's Test Matrix apply.

The Moody's Test Matrix may be amended and/or supplemented and/or replaced by the Collateral Manager subject to Rating Agency Confirmation from Moody's.

The S&P Matrix

"**S&P Matrix**": For each Class of Rated Notes, the Class Break-Even Default Rate will be determined as follows: (A) the applicable weighted average spread will be the spread between 2.50 per cent. and 5.10 per cent. (in increments of 0.01 per cent.) without exceeding the sum of the (i) Weighted Average Floating Spread as of such Measurement Date (provided that the calculation of the Weighted Average Floating Spread for such purpose shall exclude the Aggregate Excess Funded Spread from the numerator thereof); and (ii) Weighted Average Coupon Adjustment Percentage as of such Measurement Date (such sum the "**S&P Matrix Spread**") and (B) the applicable weighted average recovery rate with respect to the most senior Class of Rated Notes then Outstanding will be the recovery rate between 25.00 per cent. and 80.00 per cent. (in increments of 0.10 per cent.), a "**Recovery Rate Case**" , as selected by the Collateral Manager. On and after the Effective Date, the Collateral Manager will have the right to choose which Recovery Rate Case applies for the most senior Class of Rated Notes then Outstanding and which S&P Matrix Spread will be applicable for purposes of both (i) the S&P CDO Monitor and (ii) the S&P Minimum Weighted Average Recovery Rate Test.

After the Issue Date, the Collateral Manager may request for S&P to provide S&P CDO input files (the "**S&P CDO Input Files**") for up to 10,000 combinations of S&P Matrix Spreads and Recovery Rate Cases. On written notice to the Collateral Administrator the Collateral Manager may choose a different Recovery Rate Case or a different S&P Matrix Spread (or both); provided, that the Collateral Obligations must be in compliance with such different Recovery Rate Case and the S&P Matrix Spread, as applicable, and, solely for purposes of this proviso, if the Issuer has entered into a binding commitment to invest in a Collateral Obligation, compliance with the newly selected Recovery Rate Case and the S&P Matrix Spread, as applicable, may be determined after giving effect to such investment. Notwithstanding the foregoing, if the Collateral Obligations are not currently in compliance with the Recovery Rate Case and the S&P Matrix Spread then applicable and would not be in compliance with any other Recovery Rate Case or S&P Matrix Spread, as applicable, the Collateral Manager may select a different Recovery Rate Case or a different S&P Matrix Spread (or both), as applicable, that is not further out of compliance than the current Recovery Rate Case and the S&P Matrix Spread, as applicable. In the event the Collateral Manager fails to choose (A) Recovery Rate Case prior to the Effective Date, the following will apply: with respect to the Class A-1 Notes 36.50 per cent.; the Class A-2 Notes 46.00 per cent.; the Class B Notes 52.00 per cent.; the Class C Notes 57.50 per cent.; the Class D Notes 64.00 per cent.; and the Class E Notes 66.00 per cent. or (B) S&P Matrix Spread prior to the Effective Date, S&P Matrix Spread 4.10 per cent. will apply.

The S&P CDO Monitor Test

The "**S&P CDO Monitor Test**" is a test that will be satisfied on any Measurement Date from the Effective Date until the end of the Reinvestment Period following receipt by the Collateral Manager and the Collateral Administrator of the S&P CDO Input Files if, after giving effect to the purchase or sale of a Collateral Obligation, the Class Default Differential of the most senior Class of Rated Notes then Outstanding of the Proposed Portfolio is not negative. The S&P CDO Monitor Test will be considered to be improved if the Class Default Differential of the most senior Class of Rated Notes then Outstanding of the Proposed Portfolio is at least equal to the corresponding Class Default Differential of the most senior Class of Rated Notes of the Current Portfolio. If so elected by the Collateral Manager by notice to the Issuer, the Collateral Administrator, the Trustee and S&P, the S&P CDO Monitor Test and definitions applicable thereto shall instead be as set forth in Annex E hereto. An election to change from the use of this definition to those set forth below (or, if the

definitions below were chosen to apply in connection with the Effective Date, to change to the S&P CDO Monitor Test as defined in this paragraph) shall only be made after the Issue Date.

The Collateral Manager may, in its sole discretion, at any time after the Issue Date, upon at least 5 Business Days' prior written notice to S&P, the Trustee and the Collateral Administrator, elect to declare the occurrence of the S&P CDO Formula Election Date or the S&P CDO Monitor Election Date.

Compliance with the S&P CDO Monitor Test will be measured by the Collateral Manager on each Measurement Date.

There can be no assurance that actual defaults of the Collateral Obligations will not exceed those assumed in the application of the S&P CDO Monitor or that the recovery rates with respect thereto will not differ from those assumed in the S&P CDO Monitor. None of the Collateral Manager, the Initial Purchaser the Trustee or the Collateral Administrator makes any representation as to the expected rate of defaults of the Collateral Obligations or the timing of recoveries.

The "**Class Break-Even Default Rate**" is, with respect to the Highest Ranking S&P Class:

(a) Prior to the S&P CDO Formula Election Date or on or after the S&P CDO Monitor Election Date, the maximum percentage of defaults, at any time, which the Current Portfolio or the Proposed Portfolio, as applicable, can sustain, as determined by S&P through application of the S&P CDO Monitor chosen by the Collateral Manager in accordance with the definition of "S&P Matrix" that is applicable to the Portfolio, which, after giving effect to S&P's assumptions on recoveries, defaults and timing and to the Priorities of Payment, will result in sufficient funds remaining for the payment of such Class or Classes of Notes in full. After the Effective Date, S&P will provide the Collateral Manager with the Class Break-Even Default Rates for each S&P CDO Monitor based upon the Recovery Rate Case and S&P Matrix Spread to be associated with such S&P CDO Monitor as selected by the Collateral Manager (with a copy to the Collateral Administrator) as set out in the Collateral Management and Administration Agreement or any other Recovery Rate Case or S&P Matrix Spread selected by the Collateral Manager from time to time.

(b) On or after the S&P CDO Formula Election Date and prior to the S&P CDO Monitor Election Date, the rate equal to (i) 0.214897357302411 (or such other coefficient provided in advance by S&P to the Issuer, the Collateral and the Collateral Administrator in writing) plus (ii) the product of (x) 2.9357289578659 (or such other coefficient provided in advance by S&P to the Issuer, the Collateral Manager and the Collateral Administrator in writing) and (y) the sum of the (A) Minimum Weighted Average Floating Spread and (B) Weighted Average Coupon Adjustment Percentage plus (iii) the product of (x) 0.946995381696002 (or such other coefficient provided in advance by S&P to the Issuer, the Collateral Manager and the Collateral Administrator in writing) and (y) the S&P CDO Monitor Recovery Rate.

The "**Class Default Differential**" means, with respect to the Highest Ranking S&P Class, at any time, the rate calculated by subtracting the Class Scenario Default Rate for such Class or Classes or Notes at such time from (x) prior to the S&P CDO Formula Election Date or on or after the S&P CDO Monitor Election Date, the Class Break-Even Default Rate and (y) on or after the S&P CDO Formula Election Date and prior to the S&P CDO Monitor Election Date, the Adjusted Class Break-Even Default Rate, in each case, for such Class or Classes of Notes at such time.

The "**Class Scenario Default Rate**" means, with respect to the Highest Ranking S&P Class:

(a) prior to the S&P CDO Formula Election Date or on or after the S&P CDO Monitor Election Date, an estimate of the cumulative default rate for the Current Portfolio or the Proposed Portfolio, as applicable, consistent with S&P's initial rating of such Class, determined by application by the Collateral Manager and the Collateral Administrator of the S&P CDO Monitor at such time; and

(b) on or after the S&P CDO Formula Election Date and prior to the S&P CDO Monitor Election Date, the rate at such time equal to (i) 0.329915 *plus* (ii) the product of (x) 1.210322 and (y) the S&P Expected Default Rate minus (iii) the product of (x) 0.586627 and (y) the S&P Default Rate Dispersion *plus* (iv) (x) 2.538684 *divided by* (y) the S&P Obligor Diversity Measure *plus* (v)(x) 0.216729 *divided* by (y) the S&P Industry Diversity Measure plus (vi)(x) 0.0575539 *divided by* (y) the S&P Regional Diversity

Measure *minus* (vii) the product of (x) 0.0136662 and (y) the S&P CDO Monitor Weighted Average Life.

The "**Current Portfolio**" means, as of any date of determination, the portfolio of Collateral Obligations (included at their Principal Balance provided that in respect of Mezzanine Obligations, the Principal Balance shall exclude all accrued interest including any interest accrued following the date of acquisition thereof) and Eligible Investments existing prior to the sale, maturity or other disposition of a Collateral Obligation or a proposed reinvestment of Principal Proceeds in a Substitute Collateral Obligation, as the case may be.

The "**Proposed Portfolio**" means, as of any date of determination, the portfolio of Collateral Obligations (included at their Principal Balance provided that in respect of Mezzanine Obligations, the Principal Balance shall exclude all accrued interest including any interest accrued following the date of acquisition thereof) and Eligible Investments resulting from the sale, maturity or other disposition of a Collateral Obligation or a proposed reinvestment of Principal Proceeds in a Substitute Collateral Obligation, as the case may be.

"**S&P CDO Monitor**" means the dynamic, analytical computer model developed by S&P and used to estimate default risk of Collateral Obligations and provided to the Collateral Manager on or before the Issue Date, as it may be modified by S&P from time to time. The S&P CDO Monitor calculates the cumulative default rate of a pool of Collateral Obligations and Eligible Investments consistent with a specified benchmark rating level based upon S&P's proprietary corporate debt default studies. In calculating the scenario default rate in respect of a Class of Notes, the S&P CDO Monitor considers each Obligor's issuer credit rating, the number of Obligors in the Portfolio, the Obligor and industry concentrations in the Portfolio and the remaining weighted average maturity of the Collateral Obligations and Eligible Investments and calculates a cumulative default rate based on the statistical probability of distributions or defaults on the Collateral Obligations and Eligible Investments.

"**S&P CDO Monitor Recovery Rate**" means the S&P Weighted Average Recovery Rate applicable as of the date of determination.

The S&P Minimum Weighted Average Recovery Rate Test

The "**S&P Minimum Weighted Average Recovery Rate Test**" will be satisfied on any Measurement Date from (and including) the Effective Date if, for each Class of Rated Notes, the S&P Weighted Average Recovery Rate is greater than or equal to the percentage set forth in the S&P Matrix based upon the Recovery Rate Case chosen by the Collateral Manager.

The "**S&P Recovery Rate**" means, in respect of each Collateral Obligation and each Class of Rated Notes, an S&P Recovery Rate determined in accordance with the Collateral Management and Administration Agreement or as advised by S&P. Extracts of the S&P Recovery Rates applicable under the Collateral Management and Administration Agreement are set out in Annex B (S&P Recovery Rates) of this Offering Circular.

"**S&P Weighted Average Recovery Rate**" means, as of any Measurement Date, for a Class of Rated Notes, the number (expressed as a percentage) obtained by summing the products obtained by multiplying the Principal Balance (excluding Purchased Accrued Interest) of each Collateral Obligation by its S&P Recovery Rate, dividing such sum by the Aggregate Principal Balance of all Collateral Obligations and rounding up to the nearest 0.1 per cent. For purposes of this rate, the Principal Balance of any Defaulted Obligation shall be deemed to be zero.

The Moody's Minimum Diversity Test

The "**Moody's Minimum Diversity Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Diversity Score equals or exceeds the number set forth in the column entitled "Minimum Diversity Score" in the Moody's Test Matrix based upon the applicable "row/column" combination chosen by the Collateral Manager (or interpolating between the two rows containing the closest values and/or two adjacent columns (as applicable)) provided that the "Minimum Diversity Score" chosen by the Collateral Manager must be greater than or equal to 30.

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 Obligors 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 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 Industry Equivalent Unit Score**" is then calculated for each of the 32 Moody's industrial classification groups by summing the Equivalent Unit Scores for each Obligor in the industry (or such other industrial classification groups and Equivalent Unit Scores as are published by Moody's from time to time); and

(e) an "**Industry Diversity Score**" is then established by reference to the Diversity Score Table shown below (or such other Diversity Score Table as is published by Moody's from time to time) (the "**Diversity Score Table**") for the related Aggregate Industry Equivalent Unit Score. If the Aggregate Industry Equivalent Unit Score falls between any two such scores shown in the Diversity Score Table, then the Industry Diversity Score is the lower of the two Diversity Scores in the Diversity Score Table.

For purposes of calculating the Diversity Scores any Obligors Affiliated with one another will be considered to be one Obligor.

Diversity Score Table

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
0.0000	0.0000	5.0500	2.7000	10.1500	4.0200	15.2500	4.5300
0.0500	0.1000	5.1500	2.7333	10.2500	4.0300	15.3500	4.5400
0.1500	0.2000	5.2500	2.7667	10.3500	4.0400	15.4500	4.5500
0.2500	0.3000	5.3500	2.8000	10.4500	4.0500	15.5500	4.5600
0.3500	0.4000	5.4500	2.8333	10.5500	4.0600	15.6500	4.5700
0.4500	0.5000	5.5500	2.8667	10.6500	4.0700	15.7500	4.5800
0.5500	0.6000	5.6500	2.9000	10.7500	4.0800	15.8500	4.5900
0.6500	0.7000	5.7500	2.9333	10.8500	4.0900	15.9500	4.6000
0.7500	0.8000	5.8500	2.9667	10.9500	4.1000	16.0500	4.6100
0.8500	0.9000	5.9500	3.0000	11.0500	4.1100	16.1500	4.6200
0.9500	1.0000	6.0500	3.0250	11.1500	4.1200	16.2500	4.6300
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

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
2.0500	1.5500	7.1500	3.3000	12.2500	4.2300	17.3500	4.7400
2.1500	1.6000	7.2500	3.3250	12.3500	4.2400	17.4500	4.7500
2.2500	1.6500	7.3500	3.3500	12.4500	4.2500	17.5500	4.7600
2.3500	1.7000	7.4500	3.3750	12.5500	4.2600	17.6500	4.7700
2.4500	1.7500	7.5500	3.4000	12.6500	4.2700	17.7500	4.7800
2.5500	1.8000	7.6500	3.4250	12.7500	4.2800	17.8500	4.7900
2.6500	1.8500	7.7500	3.4500	12.8500	4.2900	17.9500	4.8000
2.7500	1.9000	7.8500	3.4750	12.9500	4.3000	18.0500	4.8100
2.8500	1.9500	7.9500	3.5000	13.0500	4.3100	18.1500	4.8200
2.9500	2.0000	8.0500	3.5250	13.1500	4.3200	18.2500	4.8300
3.0500	2.0333	8.1500	3.5500	13.2500	4.3300	18.3500	4.8400
3.1500	2.0667	8.2500	3.5750	13.3500	4.3400	18.4500	4.8500
3.2500	2.1000	8.3500	3.6000	13.4500	4.3500	18.5500	4.8600
3.3500	2.1333	8.4500	3.6250	13.5500	4.3600	18.6500	4.8700
3.4500	2.1667	8.5500	3.6500	13.6500	4.3700	18.7500	4.8800
3.5500	2.2000	8.6500	3.6750	13.7500	4.3800	18.8500	4.8900
3.6500	2.2333	8.7500	3.7000	13.8500	4.3900	18.9500	4.9000
3.7500	2.2667	8.8500	3.7250	13.9500	4.4000	19.0500	4.9100
3.8500	2.3000	8.9500	3.7500	14.0500	4.4100	19.1500	4.9200
3.9500	2.3333	9.0500	3.7750	14.1500	4.4200	19.2500	4.9300
4.0500	2.3667	9.1500	3.8000	14.2500	4.4300	19.3500	4.9400
4.1500	2.4000	9.2500	3.8250	14.3500	4.4400	19.4500	4.9500
4.2500	2.4333	9.3500	3.8500	14.4500	4.4500	19.5500	4.9600
4.3500	2.4667	9.4500	3.8750	14.5500	4.4600	19.6500	4.9700
4.4500	2.5000	9.5500	3.9000	14.6500	4.4700	19.7500	4.9800
4.5500	2.5333	9.6500	3.9250	14.7500	4.4800	19.8500	4.9900
4.6500	2.5667	9.7500	3.9500	14.8500	4.4900	19.9500	5.0000
4.7500	2.6000	9.8500	3.9750	14.9500	4.5000		
4.8500	2.6333	9.9500	4.0000	15.0500	4.5100		
4.9500	2.6667	10.0500	4.0100	15.1500	4.5200		

The Moody's Maximum Weighted Average Rating Factor Test

The "**Moody's Maximum Weighted Average Rating Factor Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Moody's Weighted Average Rating Factor of the Collateral Obligations as at such Measurement Date is equal to or less than the sum of (i) 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 the two rows containing the closest values and/or two adjacent columns (as applicable)), (acting on behalf of the Issuer) as at such Measurement Date plus (ii) the Moody's Weighted Average Recovery Adjustment, plus (iii) the Moody's Weighted Average Spread Adjustment, provided, however, that the sum of (i), (ii) and (iii) may not exceed 3,100.

The "**Moody's Weighted Average Rating Factor**" is determined by summing the products obtained by multiplying the Principal Balance of each Collateral Obligation, excluding Equity Securities, by its Adjusted Moody's Rating Factor, dividing such sum by the Aggregate Principal Balances of all such Collateral Obligations, excluding Equity Securities, 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

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
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; and

(ii)

(A) with respect to the adjustment of the Moody's Maximum Weighted Average Rating Factor Test:

(1) 75 if the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based on the option chosen by the Collateral Manager (or interpolating between two adjacent rows, (as applicable)) is greater than 3.10 per cent.; or

(2) 50 if the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based upon the option chosen by the Collateral Manager (or interpolating between two adjacent rows, (as applicable)) is equal to or greater than 2.50 per cent. But less than or equal to 3.10 per cent.;

(B) with respect to the adjustment of the Minimum Weighted Average Floating Spread Test:

(1) 0.15 if the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based upon the option chosen by the Collateral Manager (or interpolating between the two adjacent rows (as applicable)) is equal to or greater than 4.50 per cent.;

(2) 0.13 if the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based upon the option chosen by the Collateral Manager (or interpolating between the two adjacent rows (as applicable)) is less than 4.50 per cent. but greater than or equal to 4.00 per cent.;

(3) 0.07 if the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based upon the option chosen by the Collateral Manager (or interpolating between the two adjacent rows (as applicable)) is less than 4.00 per cent. but greater than 3.30 per cent.; and

(4) 0.03 if the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based upon the option chosen by the Collateral Manager (or interpolating between the two adjacent rows (as applicable)) is less than or equal to 3.30 per cent. but greater than or equal to 2.50 per cent,

provided that if the Weighted Average Moody's Recovery Rate for purposes of determining the Moody's Weighted Average Recovery Adjustment is greater than 60 per cent., then such Weighted Average Moody's Recovery Rate shall equal 60 per cent. unless Rating Agency Confirmation is obtained 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)).

"**Adjusted Moody's Rating Factor**" means, as of any Measurement Date, a number equal to the Moody's Rating Factor determined in the following manner: each applicable rating on credit watch by Moody's that is (a) on review for upgrade will be treated as having been upgraded by one rating subcategory, (b) on review for downgrade will be treated as having been downgraded by two rating subcategories and (c) negative outlook will be treated as having been downgraded by one rating subcategory.

"**Moody's Weighted Average Spread Adjustment**" means, as of any date of determination, the greater of (a) zero and (b) an amount equal to the product of (i) 1.5 per cent. minus the Class A-1 Margin and (ii) 20,000.

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 43.00 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 by its corresponding Moody's Recovery Rate and dividing such sum by the Aggregate Principal Balance of all such Collateral Obligations and rounding up 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 Corporate Rescue 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 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 Obligations***	**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%

(c) if the Collateral Obligation is a Corporate Rescue Loan (other than a Corporate Rescue Loan which has been specifically assigned a recovery rate by Moody's), 50%.

*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 or High Yield Bond for purposes of this table.

The Minimum Weighted Average Floating Spread Test

The "**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 *plus* the Weighted Average Coupon Adjustment Percentage as at such Measurement Date equals or exceeds the Minimum Weighted Average Floating Spread as at such Measurement Date.

The "**Minimum Weighted Average Floating Spread**", as of any Measurement Date, will equal the percentage set forth in the Moody's Test Matrix based upon the option chosen by the Collateral Manager (interpolating between the two rows containing the closest values and/or two adjacent columns (as applicable)) as currently applicable to the Portfolio reduced by the Moody's Weighted Average Recovery Adjustment, provided such reduction may not reduce the Minimum Weighted Average Floating Spread below 2.50 per cent.

The "**Weighted Average Floating Spread**" as of any Measurement Date, is the number obtained by *dividing*:

(a) the amount equal to (i) the Aggregate Funded Spread plus (ii) the Aggregate Unfunded Spread plus (iii) the Aggregate Excess Funded Spread; by

(b) an amount equal to (i) the Aggregate Principal Balance of all Floating Rate Collateral Obligations as of such Measurement Date, in respect of any Deferring Security excluding any interest that has been deferred and capitalised thereon and (ii) the Aggregate Principal Balance of all Fixed Rate Collateral Obligations which are subject to an Interest Rate Hedge Transaction which swaps the fixed rate on such Collateral Obligation for a floating rate,

in each case adjusted for any withholding tax deducted in respect of the relevant obligation which is neither grossed up nor recoverable under any applicable double tax treaty, *provided* that for the purposes of the calculation of the Effective Date Non-Model CDO Monitor Test the adjustments set out in the definition thereof shall apply, and *further provided* that, for the purposes of the CDO Monitor Test, the Aggregate Excess Funded Spread shall not be included in the numerator.

The "**Aggregate Funded Spread**" is, as of any Measurement Date, the sum of:

(a) in the case of each Floating Rate Collateral 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 Securities 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 Collateral Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Obligation); *provided* that for purposes of this definition, the interest rate spread will be deemed to be, with respect to any Floating Rate Collateral Obligation that has a EURIBOR floor, (i) the stated interest rate spread *plus*, (ii) if positive, (x) the EURIBOR floor value *minus* (y) EURIBOR as in effect for the current accrual period (for the purposes of this 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);

(b) in the case of each Floating Rate Collateral 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 Securities 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 Floating Rate 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 each such Collateral

Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Obligation);

(c) in the case of each Floating Rate Collateral 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 Securities and the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Obligation) and subject to a Currency Hedge Transaction, (i) (A) the sum of 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 plus (B) in circumstances where the relevant Non-Euro Obligation contains a floor in its interbank offered reference rate, the excess rate of interest (if any) of such floor over the available interbank offered reference rate on the Measurement Date under the applicable Currency Hedge Transaction, *multiplied by* (ii) the Principal Balance of such Non-Euro Obligation; and

(d) in the case of each Floating Rate Collateral 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 Securities 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 annual interest amount payable by the relevant obligor based upon the current level of the applicable interest rate 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:

(i) a Fixed Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the fixed rate on such Collateral Obligation for a floating rate shall be treated as a Floating Rate Collateral Obligation with a stated spread and index equal to the stated floating rate payable by the applicable Interest Rate Hedge Counterparty to the Issuer under such Interest Rate Hedge Transaction;

(ii) a Floating Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the floating rate on such Collateral Obligation for a fixed rate shall be disregarded; and

(iii) the stated interest rate spread or interest amount of any Floating Rate Collateral Obligation which constitutes a Distressed Exchange Obligation shall be the stated interest rate spread or interest amount of the new obligation accepted as part of the related Offer.

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 Securities), 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, *provided that* for such purpose, the commitment fee for any Delayed Drawdown Collateral Obligation or Revolving Obligation which constitutes a Distressed Exchange Obligation (other than Defaulted Obligations and Deferring Securities) shall be the commitment fee of the new obligation accepted as part of the related Offer.

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 Security, any interest that has been deferred and capitalised thereon and (y) the Principal Balance of any Defaulted Obligation and (z) the principal balance of any Fixed Rate Collateral 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;

The "**Weighted Average Coupon Adjustment Percentage**" means a percentage equal as of any Measurement Date to a number obtained by *multiplying* (a) the result of the Weighted Average Coupon *minus* the Reference Weighted Average Fixed Coupon, *by* (b) the number obtained by *dividing* the Aggregate Principal Balance of all Fixed Rate Collateral Obligations *by* the Aggregate Principal Balance of all Floating Rate Collateral Obligations, and which product may, for the avoidance of doubt, be negative.

The "**Reference Weighted Average Fixed Coupon**" means, if any of the Collateral Obligations are Fixed Rate Collateral Obligations, 5.0 per cent., and otherwise, zero per cent.

The "**Weighted Average Coupon**", as of any Measurement Date, is the number obtained by *dividing*:

(a) the amount equal to the Aggregate Coupon; *by*

(b) an amount equal to the Aggregate Principal Balance of all Fixed Rate Collateral Obligations as of such Measurement Date,

in each case, excluding, for any Mezzanine Obligation, any interest that has been deferred and capitalised thereon and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligations and Revolving Obligations.

The "**Aggregate Coupon**" is, as of any Measurement Date, the sum of:

(a) with respect to any Fixed Rate Collateral Obligation which is a Non-Euro Obligation and subject to a Currency Hedge Transaction and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligations and Revolving Obligations, the product of (x) stated fixed rate payable by the applicable currency Hedge Counterparty to the Issuer under the related Currency Hedge Transaction and (y) the Principal Balance of such Non-Euro Obligation;

(b) with respect to any Fixed Rate Collateral Obligation which is a Non-Euro Obligation which is not subject to a Currency Hedge Transaction and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligations and Revolving Obligations, an amount (converted into Euro at the Spot Rate) equal to the product of (x) stated coupon on such Collateral Obligation expressed as a percentage and (y) the Principal Balance of such Non-Euro Obligation; and

(c) with respect to all other Fixed Rate Collateral Obligations and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligations and Revolving Obligations, the sum of the products obtained by *multiplying*, in the case of each Fixed Rate Collateral Obligation (including, for any Collateral Obligation, only the required, non-deferrable current cash pay interest required by the Underlying Instruments thereon), (x) the stated coupon on such Collateral Obligation expressed as a percentage and (y) the Principal Balance of such Collateral Obligation.

provided that for such purpose:

(i) a Floating Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the floating rate on such Collateral Obligation for a fixed rate shall be treated as a Fixed Rate Collateral Obligation with a stated coupon equal to the stated fixed rate payable by the applicable Interest Rate Hedge Counterparty to the Issuer under such Interest Rate Hedge Transaction;

(ii) a Fixed Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the fixed rate on such Collateral Obligation for a floating rate shall be disregarded; and

(iii) the stated coupon rate of any Fixed Rate Collateral Obligation which constitutes a Distressed Exchange Obligation shall be the stated coupon rate of the new obligation accepted as part of the related Offer.

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 up to the nearest one-hundredth thereof) during the period from and including such Measurement Date to and including 26 May 2024.

"**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.

"**Weighted Average Life**" is, as of any Measurement Date with respect to all Collateral Obligations other than Defaulted Obligations and Deferring Securities, the number of years (rounded down to the nearest one-hundredth thereof) following such date obtained by 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 dividing such sum by the Aggregate Principal Balance at such time of all Collateral Obligations other than Deferring Securities.

8 RATING DEFINITIONS

Moody's Ratings Definitions

"**Assigned Moody's Rating**" means the monitored publicly available rating or the unpublished monitored loan rating or the credit estimate expressly assigned to a debt obligation (or facility) by Moody's.

"**CFR**" means, with respect to an Obligor of a Collateral 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, 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;

(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".

"**Moody's Derived Rating**" means, with respect to a Collateral Obligation whose Moody's Rating or Moody's Default Probability Rating cannot be determined pursuant to clause (a), (b), (c) or (d) of the respective definitions thereof, the Moody's Derived Rating for purposes of clause (e) of the definition of Moody's Rating and Moody's Default Probability Rating (as applicable) shall be determined as set forth below:

(a) with respect to any Corporate Rescue Loan, one subcategory below the facility rating (whether public or private) of such Corporate Rescue Loan rated by Moody's;

(b) if not determined pursuant to clause (a) above, if the Obligor of such Collateral Obligation has a long-term issuer rating by Moody's, then such long-term issuer rating;

(c) if not determined pursuant to clause (a) or (b) above, if another obligation of the Obligor is rated by Moody's, then by adjusting the rating of the related Moody's rated obligations of the related Obligor by the number of rating sub-categories according to the table below:

Obligation Category of Rated Obligation	Rating of Rated Obligation	Number of 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 Debt 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 clause (d) 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 Corporate Rescue 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 purposes of clause (d) of the definition of Moody's Rating and Moody's Default Probability Rating (as applicable) of such

Collateral Obligation shall be (x) "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 per cent. of the Collateral Principal Amount of all Collateral Obligations or (y) otherwise, "Caa2".

"**Moody's Rating**" means:

(a) with respect to a Collateral Obligation that is a Secured Senior Loan or a Secured Senior Note:

(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 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 subcategories 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 or a Secured Senior Note:

(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 apply, 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, 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 commercially reasonable judgement of the Collateral Manager) to repay the loan in accordance with its terms and to repay all other loans of equal seniority secured by a first lien or security interest in the same collateral; and

(b) the loan is not:

(i) a Corporate Rescue Loan; or

(ii) a loan for which the security interest or lien (or the validity or effectiveness thereof) in substantially all of its collateral attaches, becomes effective, or otherwise "springs" into existence after the origination thereof.

S&P Ratings Definitions

"**Information**" means S&P's "Credit Estimate Information Requirements" dated April 2011 and any other available information S&P reasonably requests in order to produce a credit estimate for a particular asset.

The "**S&P Rating**" means, with respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) if there is an S&P Issuer Credit Rating of the issuer of such Collateral Obligation by S&P as published by S&P, or the guarantor which unconditionally and irrevocably guarantees such Collateral Obligation pursuant to a form of guarantee approved by S&P for use in connection with this transaction, then the S&P Rating shall be such rating (regardless of whether there is a published rating by S&P on the Collateral Obligations of such issuer, held by the Issuer, provided that private ratings (that is, ratings provided at the request of the Obligor) may be used for purposes of this definition if the related Obligor has consented to the disclosure thereof and a copy of such consent has been provided to S&P);

(b) if there is no S&P Issuer Credit Rating of the issuer or guarantor by S&P but:

(i) there is a senior secured rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation shall be one sub-category below such rating;

(ii) if clause (i) above does not apply, but there is a senior unsecured rating on any obligation or security of the issuer, the S&P Rating of such Collateral Obligation shall equal such rating; and

(iii) if neither clause (i) nor clause (ii) above applies, but there is a subordinated rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation shall be one sub-category above such rating;

(c) with respect to any Collateral Obligation that is a Current Pay Obligation, the S&P Rating applicable to such obligation shall be the issue level rating thereof and if there is no such issue level rating, the S&P Rating applicable to such Current Pay Obligation shall be "CCC-";

(d) with respect to any Collateral Obligation that is a Corporate Rescue Loan:

(i) falling within paragraph (a) of the definition of Corporate Rescue Loan, and if S&P has assigned a public rating to such Corporate Rescue Loan, the S&P Rating for such Corporate Rescue Loan shall be such public rating; or

(ii) falling within paragraph (b) of the definition of Corporate Rescue Loan, and if S&P has assigned an S&P Issuer Credit Rating or credit estimate to such Corporate Rescue Loan, the S&P Rating for such Corporate Rescue Loan shall be such S&P Issuer Credit Rating or credit estimate; or

(iii) upon application by the Issuer (or the Collateral Manager on behalf of the Issuer) to S&P for a credit estimate, the applicable Corporate Rescue Loan shall be deemed to have an S&P Rating of "D"; and

(e) if there is not a rating by S&P on the issuer or on an obligation of the issuer, then the S&P Rating may be determined (other than in the case of Corporate Rescue Loans) pursuant to paragraphs (i) and (ii) below:

(i) if an obligation of the issuer is not a Corporate Rescue Loan and is publicly rated by Moody's and any successors thereto, then the S&P Rating will be determined in accordance with the methodologies for establishing the S&P Rating set forth above except that the S&P Rating of such obligation will be (A) one sub-category below the S&P equivalent of the Moody's rating if such Moody's rating is "Baa3" or higher and (B) two sub-categories below the S&P equivalent of the Moody's rating if such Moody's rating is "Ba1" or lower, provided that in each case (1) the S&P Rating will be a further sub-category below the S&P equivalent of the Moody's rating of the applicable obligation if the relevant Moody's rating is on "credit watch negative" by Moody's and (2) if the Aggregate Principal Balance of Collateral Obligations whose S&P Rating is determined pursuant to this paragraph (e)(i) exceeds 15 per cent. of the Adjusted Collateral Principal Amount, the S&P Rating of the excess of the Aggregate Principal Balance of the Collateral Obligations where the S&P Rating is determined pursuant to this paragraph (e)(i) over an amount equal to 15 per cent. of the Adjusted Collateral Principal Amount shall be "CCC-" (for the purposes of this paragraph (e)(i)(2), the Collateral Obligations whose S&P Rating is determined pursuant to this paragraph (e)(i) with the lowest S&P Collateral Value (expressed as a percentage of the Principal Balance of such Collateral Obligation as of the relevant date of determination) shall be determined to comprise such excess); and

(ii) the S&P Rating may be based on a credit estimate provided by S&P, and in connection therewith, the Issuer, the Collateral Manager on behalf of the Issuer or the issuer of such Collateral Obligation shall, prior to or within thirty calendar days after the acquisition of such Collateral Obligation, apply (and concurrently submit all available information in respect of such application) to S&P for a credit estimate which shall be its S&P Rating; provided that, if such information is submitted within such thirty day period, then, for a period of up to ninety calendar days after acquisition of such Collateral Obligation shall have an S&P Rating as determined by the Collateral Manager in its sole discretion if (A) the Collateral Manager certifies to the Trustee and the Collateral Administrator that it believes that such S&P Rating determined by the Collateral Manager is commercially reasonable and that the S&P Rating will be at least equal to such rating and (B) the Aggregate Principal Balance of the Collateral Obligations subject to an S&P Rating determined by the Collateral Manager in accordance with (A) does not exceed 5 per cent. of the Collateral Principal Amount (for such purpose, the Principal Balance of all Defaulted Obligations shall be their S&P Collateral Value); provided

further that (x) if such information is not submitted within such thirty day period and (y) following the end of the ninety day period set forth above, pending receipt from S&P of such estimate, the Collateral Obligation shall have an S&P Rating of "CCC-"; unless, in the case of clause (y) above, during such ninety day period, the Collateral Manager has requested the extension of such period and S&P, in its sole discretion, has granted such request; provided further that if the Collateral Obligation has had a public rating by S&P that S&P has withdrawn or suspended within six months prior to the date of such application for a credit estimate in respect of such Collateral Obligation, the S&P Rating in respect thereof shall be "CCC-", pending receipt from S&P of such estimate and S&P may elect not to provide such estimate until a period of six months have elapsed after the withdrawal or suspension of the public rating; provided further that such credit estimate shall expire twelve months after the acquisition of such Collateral Obligation, following which such Collateral Obligation shall have an S&P Rating of "CCC-" unless, during such twelve month period, the Issuer (or the Collateral Manager acting on behalf of the Issuer) applies for renewal thereof in accordance with the Collateral Management and Administration Agreement in which case such credit estimate shall continue to be the S&P Rating of such Collateral Obligation until S&P has confirmed or revised such credit estimate, upon which such confirmed or revised credit estimate shall be the S&P Rating of such Collateral Obligation; provided further that such confirmed or revised credit estimate shall expire on the next succeeding twelve month anniversary of the date of the acquisition of such Collateral Obligation and (when renewed annually in accordance with the Collateral Management and Administration Agreement) on each twelve month anniversary thereafter,

provided that, for purposes of the determination of the S&P Rating, (x) if the applicable rating assigned by S&P to an Obligor or its obligations is on "credit watch positive" by S&P, such rating will be treated as being one sub-category above such assigned rating, (y) if the applicable rating assigned by S&P to an Obligor or its obligations is on "credit watch negative" by S&P, such rating will be treated as being one sub-category below such assigned rating and (z) only ratings assigned on the basis of ongoing surveillance will be applicable for the purposes of this definition.

"**S&P Issuer Credit Rating**" means, in respect of a Collateral Obligation, a publicly available issuer credit rating by S&P in respect of the Obligor thereof.

9 THE COVERAGE TESTS

The Coverage Tests will consist of the Class A Par Value Test, the Class B Par Value Test, the Class C Par Value Test, the Class D Par Value Test, the Class A Interest Coverage Test, the Class B Interest Coverage Test, the Class C Interest Coverage Test and the Class D Interest Coverage Test. The Coverage Tests will be used primarily to determine whether interest may be paid on the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes, whether Principal Proceeds may be reinvested in Substitute Collateral Obligations, or whether Interest Proceeds and, to the extent needed, Principal Proceeds, in the event of failure to satisfy the Class A Coverage Tests, must instead be used to pay principal on the Class A-1 Notes and, after redemption in full thereof, to pay principal on the Class A-2 Notes, to the extent necessary to cause the Class A Coverage Tests to be satisfied if recalculated immediately following such redemption; or, in the event of failure to satisfy the Class B Coverage Tests, to pay principal on the Class A-1 Notes and, after redemption in full thereof, principal on the Class A-2 Notes and, after redemption in full thereof, principal on the Class B Notes to the extent necessary to cause the Class 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-1 Notes and, after redemption in full thereof, principal on the Class A-2 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-1 Notes and, after redemption in full thereof, principal on the Class A-2 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.

Each of the Class A Par Value Test, the Class A Interest Coverage Test, the Class B Par Value Test, the Class B Interest Coverage Test, the Class C Par Value Test, the Class C Interest Coverage Test, the Class D Par Value

Test, and the Class D Interest Coverage 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 Test and shall be satisfied on a Measurement Date if the corresponding Par Value Ratio or Interest Coverage Ratio (as the case may be) is at least equal to the percentage specified in the table below in relation to that Coverage Test.

Coverage Test and Ratio	Percentage at Which Test is Satisfied
Class A Par Value	133.86%
Class A Interest Coverage	120.00%
Class B Par Value	121.65%
Class B Interest Coverage	115.00%
Class C Par Value	115.71%
Class C Interest Coverage	110.00%
Class D Par Value	108.13%
Class D Interest Coverage	105.00%

10 THE REINVESTMENT PAR VALUE TEST

If the Reinvestment Par Value Test is not satisfied as of any Determination 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 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 such payment, would be sufficient to cause the Reinvestment Par Value Test to be satisfied as of such Payment Date after giving effect to any payments made pursuant to paragraph (W) of the Interest Priority of Payments.

	Percentage at Which Test Is Satisfied
Reinvestment Par Value Test	108.88%

11 THE POST-REINVESTMENT PERIOD PAR VALUE TEST

If the Post-Reinvestment Period Par Value Test is not satisfied on any Determination Date after the expiry of the Reinvestment Period, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes in accordance with and subject to 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 such test is satisfied if recalculated following such redemption.

	Percentage at Which Test Is Satisfied
Post-Reinvestment Period Par Value Test	108.88%

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 Offering Circular 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 directing the investment and reinvestment of the Collateral Obligations and Eligible Investments, and 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, directing the Issuer and the Collateral Administrator with respect to acquisitions and sales of Collateral Obligations, 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.

The Collateral Management and Administration Agreement contains provisions which require that the Collateral Manager will cause any purchase of or entry into or sale, termination or other disposal of Portfolio assets or other "eligible assets" (as defined in Rule 3a-7) to be effected:

(a) on arm's length; and

(b) in accordance with the Trading Requirements (if and so long as they are applicable).

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:

(a) using a degree of skill and attention 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

(b) 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;

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:

(i) by reason of acts or omissions constituting bad faith, fraud, wilful misconduct or due to the gross negligence (with such term given its meaning under New York law) or reckless disregard of the duties and obligations of the Collateral Manager under the Collateral Management and Administration Agreement (it being understood and agreed that with respect to any action taken or to be taken by the Collateral Manager on the Issuer's behalf in connection with the purchase of any instrument or the entering into of any agreement, the Collateral Manager will be deemed to be acting in compliance with its duty of care as it relates to certain operational restrictions on the Issuer, if such action does not violate investment

guidelines which are set forth in the Collateral Management and Administration Agreement); or

(ii) by reason of the Collateral Manager Information containing any untrue statement of material fact, which makes statements therein, in the light of the circumstances under which they were made, misleading; or

(iii) by reason of the Collateral Manager Information omitting to state a material fact, which makes statements therein, in the light of the circumstances under which they were made, misleading,

(collectively, a "**Collateral Manager Breach**"). In no event will the Collateral Manager be liable for any consequential damages. 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.

Pursuant to the terms of the Collateral Management and Administration Agreement, the Collateral Administrator (on behalf of 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 its obligations 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 management fee 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 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) relating to the applicable Payment Date, 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**").

The Collateral Management and Administration Agreement provides that the Collateral Manager (and/or, at its direction, an Affiliate of the Collateral Manager) will receive, in arrear, from the Issuer on each Payment Date a subordinated management fee 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 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, which collateral management fee will be payable senior to the payments on the Subordinated Notes, but subordinated to the Rated Notes (such fee, the "**Subordinated Management Fee**").

Each Collateral Management Fee shall be calculated based upon the actual number of days elapsed in the applicable Due Period divided by 360 and shall not include any applicable VAT (as such term is defined in the Collateral Management and Administration Agreement) thereon.

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 and any related VAT payable thereon 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 Manager, in respect of any Collateral Management Fees due to be paid to it on a Payment Date, may elect to:

(a) defer any Senior Management Fees and Subordinated Management Fees;

(b) waive any Senior Management Fees and Subordinated Management Fees; and/or

(c) 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 (a) above or waived pursuant to (b) 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 excluding Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts (which shall not accrue interest), 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 consisting of twelve 30 day months from the date due and payable to the date of actual payment). Any amounts so waived pursuant to (b) 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 (c) 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 Fee and/or the Subordinated Management Fee be designated for reinvestment or deferred to be used to purchase additional Collateral Obligations.

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 of 0.10 per cent. per annum (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of Collateral Principal Amount 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, and such fee shall accrue from the Issue Date in arrear on each Payment Date (such fee, the "**Incentive Collateral Management Fee**"). The Incentive Collateral Management Fee will not be payable until the first 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, up to 30 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 or Condition 3(k)(vi) (*Supplemental Reserve Account*) will be applied to pay the accrued and unpaid Incentive Collateral Management Fee as of such Payment Date. The Collateral Manager may, at its sole discretion designate, waive or reinvest in additional Collateral Obligations all or a part of the Incentive Collateral Management Fee.

Except as otherwise agreed to by the Issuer and the Collateral Manager, the costs and expenses (including any irrecoverable VAT in respect therewith and 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 and preparation of and the execution of the Transaction Documents and any amendments thereto, and all matters incidental thereto, shall be borne by the Issuer. 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 services provided under the Collateral Management and Administration Agreement (save to the extent that the Collateral Manager is, or would be but for a Collateral Manager Breach, entitled to be indemnified in respect of the same under the Collateral Management and Administration Agreement) including, without limitation:

(i) legal advisers, consultants, rating agencies, accountants, brokers and other professionals retained by the Issuer or the Collateral Manager (on behalf of the Issuer);

(ii) asset pricing and asset rating services, compliance services and software, and accounting, programming and data entry services directly related to the management of the Collateral;

(iii) taxes (excluding recoverable VAT) in respect of any such expenses, stamp duty and similar transfer taxes, regulatory and governmental charges, insurance premiums or expenses;

(iv) any and all costs and expenses incurred in connection with the acquisition, disposition of investments on behalf of the Issuer (whether or not actually consummated) and management thereof, including attorneys' fees and disbursements;

(v) preparing reports to holders of the Notes;

(vi) reasonable travel expenses (including without limitation airfare, meals, lodging and other transportation) undertaken in connection with the performance by the Collateral Manager of its duties pursuant the Collateral Management and Administration Agreement or other Transaction Document (including for the avoidance of doubt, travel expenses incurred in connection with the attendance of the Collateral Manager's officers and employees at any bank or due diligence meetings), for the avoidance of doubt and in each case, whether or not an acquisition or disposition of investments is actually consummated as a result of such outgoings;

(vii) expenses and costs in connection with communications or meetings with any investors or potential investors (including, for the avoidance of doubt expenses and costs in connection with any investor conferences);

(viii) any broker or brokers in consideration of brokerage services provided to the Collateral Manager in connection with the sale or purchase of any Collateral Obligation, Equity Security, Eligible Investment, or other assets received in respect thereof;

(ix) bookkeeping, accounting or recordkeeping services obtained or maintained with respect to the Issuer (including those services rendered at the behest of the Collateral Manager);

(x) software programs licensed from a third party and used by the Collateral Manager in connection with servicing the Collateral;

(xi) fees and expenses incurred in obtaining the Market Value of Collateral Obligations (including without limitation fees payable to any nationally recognised pricing service);

(xii) audits incurred in connection with any consolidation review;

(xiii) any fees, expenses or other amounts payable to the Rating Agencies, the Collateral Administrator, the Trustee, the Agents, the Independent Client Representative or the independent accountant;

(xiv) any expense incurred by it to employ outside lawyers or consultants necessary, or any reasonable travel expenses incurred, in connection with the default, restructuring or enforcement of any Collateral Obligation;

(xv) the fees and expenses of any legal advisers, consultants, or other professionals retained by the Issuer or the Collateral Manager on behalf of the Issuer in connection with the services provided by the Collateral Manager pursuant to the Collateral Management and Administration Agreement including legal due diligence and documentation reviews and other reviews in connection with such transactions, whether proposed transactions or transactions which are, in fact, consummated;

(xvi) expenses related to compliance-related matters and regulatory filings relating to the Issuer's activities;

(xvii) any other reasonable fees and expenses associated with the Issuer's investment activities and operations, including brokerage commissions, custodial fees, bank service fees, withholding and transfer fees, clearing and settlement fees, research costs and the Issuer's *pro rata* share of licensing fees for any software for record keeping;

(xviii) the fees and expenses incurred in assisting the Issuer with its compliance with EMIR;

(xix) the reasonable costs and expenses in relation to the provision of any information required by the relevant authorities in connection with CRA3, the Dodd-Frank Act and/or FATCA; and

(xx) as otherwise agreed upon by parties.

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 resignation of the Collateral Manager is effective, 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 herein, the Collateral Manager shall continue to be entitled to the Collateral Management Fees and any costs and expenses of the Collateral Manager reimbursable pursuant to the terms of the Collateral Management and Administration Agreement.

The Independent Client Representative and Agency Cross Transactions

Prior to engaging in any agency cross transactions (which, for the purposes of this section, shall mean an "agency cross transaction for an advisory client" as defined in Rule 206(3)-2(b) under the Investment Advisers Act), except where the Independent Client Representative is the Issuer's board of directors, the Issuer and the Collateral Manager will enter into an Independent Client Representative Agreement with the Independent Client Representative under which such Independent Client Representative will review such transactions or other similar matters and will be authorised by the Issuer to consent or decline to consent, on the Issuer's behalf, to the terms of any such transaction or other matter referred to it by the Collateral Manager, subject to the terms of the Transaction Documents. Notwithstanding this, in the case of certain transactions between BGCF and the Issuer, the Collateral Manager may seek consent to such transactions from the Issuer on a quarterly basis, and such consent may occur after the applicable transaction has settled. If the Issuer does not consent to one of more of such transactions, the Collateral Manager shall consult with the Issuer on the appropriate course of action that should be taken with respect to the related Collateral Obligation(s). Fees and expenses in connection with the appointment of an Independent Client Representative will constitute Administrative Expenses as described herein and the Independent Client Representative will receive the benefit of certain exculpation and indemnification procedures set forth in the Independent Client Representative Agreement. A successor Independent Client Representative may be appointed if proposed by the Collateral Manager and either:

(a) included in the list of entities set forth in the definition of "Independent Client Representative" in the Conditions; or

(b) approved by the holders of the Subordinated Notes (acting by Ordinary Resolution).

Each holder will be deemed, by purchasing a Note, to have consented to the procedures described herein with respect to the Independent Client Representative.

The Collateral Manager may arrange for the Issuer to acquire Collateral Obligations from, and sell Collateral Obligations to, Affiliates and clients of the Collateral Manager from time to time subject to the applicable procedures in the Collateral Management and Administration Agreement.

Termination of the Collateral Management and Administration Agreement

Subject to the paragraph below, the Collateral Management and Administration Agreement may be terminated, and the Collateral Manager may be removed, for cause by:

(a) the Issuer at the direction of the Controlling Class (acting by Ordinary Resolution); or

(b) holders of the Subordinated Notes acting by Ordinary Resolution,

(in each case, excluding Notes held by the Collateral Manager or any of its Affiliates),

upon 10 Business Days' prior written notice to the Collateral Manager, the Trustee, the Hedge Counterparties and each Rating Agency. For the purpose of such termination of the Collateral Management and Administration Agreement, "**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 the Collateral Manager;

(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 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 specified in paragraph (a)(i) or (a)(ii) of Condition 10 (*Events of Default*) that arises directly from a breach of the Collateral Manager's duties under the Collateral Management and Administration Agreement, which breach or default is not cured within any applicable cure period set forth in the Conditions;

(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 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 paragraphs (i) to (vii) above have occurred, the Collateral Manager will be required to give prompt written notice thereof to the Issuer, the Trustee, the Collateral Administrator, the Rating Agencies, the Hedge Counterparties and the Noteholders.

The Collateral Management and Administration Agreement will automatically terminate upon the earliest to occur of (i) the repayment in full of the Notes, in accordance with their terms, and all other amounts owing to the Secured Parties and the termination of the Trust Deed in accordance with its terms, (ii) the liquidation of the Portfolio and the final distribution of the proceeds of such liquidation as provided in the Trust Deed, and (iii) the determination in good faith by the Issuer that the Issuer or the Portfolio has become required to be registered under the Investment Company Act (where there is no available exemption), and the Issuer has given the Collateral Manager prior notice thereof.

Resignation

The Collateral Manager may resign, upon 90 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 has been appointed in accordance with the terms of the Collateral Management and Administration Agreement.

Within 90 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. The Controlling Class (acting by Ordinary Resolution) may consent to such successor Collateral Manager by delivery of notice of such consent to the Issuer and the Trustee. If the Controlling Class (acting by Ordinary Resolution) consents to such proposed successor Collateral Manager, such proposed successor will be appointed Collateral Manager by the Issuer. If the Subordinated Noteholders (acting by Ordinary Resolution) make no such proposal within such 90-day period, the Controlling Class (acting by Ordinary Resolution and confirming in such resolution that the proposed successor Collateral Manager is not an Affiliate of a holder of the Controlling Class) 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. The Subordinated Noteholders (acting by Ordinary Resolution) may, within 30 days from receipt of such notice, object to such successor Collateral Manager by delivery of notice of such objection to the Issuer and the Trustee. If no notice of objection is received by the Issuer and the Trustee within such time period, such proposed successor Collateral Manager will be appointed Collateral Manager by the Issuer. Within 30 days of receipt of notice of any such objection, either the Controlling Class (acting by Ordinary Resolution) or the Subordinated Noteholders (acting by Ordinary Resolution) may propose a successor Collateral Manager by written notice to the Trustee, the Issuer and the holders of the Notes. In the case of such a proposal by the Controlling Class, the Subordinated Noteholders (acting by Ordinary Resolution) may, within 30 days from receipt of such notice, deliver to the Issuer and the Trustee notice of objection thereto. In the case of such a proposal by the Subordinated Noteholders, the Controlling Class (acting by Ordinary Resolution) may consent to such successor Collateral Manager by delivery of notice of such consent to the Issuer and the Trustee. If no notice of objection of the Subordinated Noteholders (acting by Ordinary Resolution) is received by the Issuer and the Trustee within the relevant time period (in the case of a proposal by the Controlling Class) or the consent of the Controlling Class (acting by Ordinary Resolution) is received by the Issuer and the Trustee (in the case of a proposal by the Subordinated Noteholders), such proposed successor Collateral Manager will be appointed Collateral Manager by the Issuer. If a notice of objection from the Subordinated Noteholders (acting by Ordinary Resolution) is received within 30 days (in the case of a proposal by the Controlling Class) or the Controlling Class does not consent (acting by Ordinary Resolution) to a proposed successor (in the case of a proposal by the Subordinated Noteholders), then either group of Noteholders may again propose a successor Collateral Manager in accordance with the foregoing. Notwithstanding the above, if no successor Collateral Manager has been appointed within 150 days following the date of resignation, termination or removal of the Collateral Manager, the Issuer will appoint a successor Collateral Manager proposed by the Controlling Class (acting by Ordinary Resolution and confirming in such resolution that the proposed successor Collateral Manager is not an Affiliate of a holder of the Controlling Class) so long as such successor Collateral Manager:

(a) is not a Person that was previously objected to by the Subordinated Noteholders (acting by Ordinary Resolution); and

(b) is not an Affiliate of a holder of the Controlling Class.

For the avoidance of doubt, no Notes either held in the form of CM Non-Voting Notes or CM Exchangeable Non-Voting Notes or held by or on behalf of the Collateral Manager or any of its Affiliates shall have any voting rights with respect to and shall not be counted for the purposes of determining a quorum and the results of voting on any CM Replacement Resolution.

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 so long as:

(a) such assignment or delegation is consented to by the Issuer, the Controlling Class (acting by Ordinary Resolution) and the Subordinated Noteholders (acting by Ordinary Resolution), in each case excluding any Notes held by the Collateral Manager or any of its Affiliates and any Notes held in the form of CM Non-Voting Notes or CM Exchangeable Non-Voting Notes;

(b) 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;

(c) such transferee or delegate is legally qualified and having the regulatory capacity as a matter of Irish law to act as such, including offering portfolio management services to Irish residents;

(d) such assignment or delegation will not cause the Issuer to become chargeable to taxation in any jurisdiction other than Ireland; and

(e) such assignment or delegation will not cause additional value added tax to become payable by the Issuer or the assignee in respect of the Collateral Management Fees.

Any transferee or delegate must satisfy the conditions described above under "*Appointment of Successor*".

In addition, the Collateral Manager is permitted to assign its rights and delegate its duties under the Collateral Management and Administration Agreement to any Affiliate of the Collateral Manager without the consent of the Issuer; *provided* that:

(i) such Affiliate has the ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager under the Collateral Management and Administration Agreement and otherwise satisfies the conditions described below under "*Successor Requirements*";

(ii) such Affiliate is legally qualified to and has the Irish regulatory capacity to act as Collateral Manager under the Collateral Management and Administration Agreement or benefits from an exemption or exclusion from such requirements; and

(iii) such assignment or delegation will not cause the Issuer to become chargeable to taxation in any jurisdiction other than Ireland; and

(iv) such assignment or delegation will not cause additional value added tax to become payable by the Issuer or the assignee in respect of the Collateral Management Fees.

Any corporation, partnership or limited liability company into which the Collateral Manager may be merged or converted or with which it may be consolidated, or any corporation, partnership or limited liability company resulting from any merger, conversion or consolidation to which the Collateral Manager will be a party, or any corporation, partnership or limited liability company succeeding to all or substantially all of the collateral management business of the Collateral Manager, will be the successor to the Collateral Manager without any further action by the Collateral Manager, the Issuer, the Trustee, the holders of the Notes or any other person or entity; *provided*, that:

(i) to the extent legally required, the Issuer consents to such action;

(ii) the resulting entity qualifies as an eligible successor as described below under "Successor Requirements";

(iii) such merger, conversion, consolidation or succession will not cause the Issuer to become chargeable to taxation in any jurisdiction other than Ireland; and

(iv) such merger, conversion, consolidation or succession will not cause additional value added tax to become payable by the Issuer or the assignee in respect of the Collateral Management Fees.

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 (excluding investment advice, except for investment advice provided by an Affiliate of the Collateral Manager) 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 cause the Issuer to be subject to tax in any jurisdiction outside its jurisdiction of incorporation.

Pursuant to the Collateral Management and Administration Agreement, the Collateral Manager will be required to comply with the requirements of the European Communities (Markets in Financial Instruments) Regulations 2007 (as amended) (the "**Regulations**"). Accordingly, in accordance with the Regulations, before the Collateral Manager can carry on any regulated activity, it will be required to provide the Issuer with details of:

(i) the manner in which it has categorised the Issuer as a client;

(ii) how it will satisfy its obligations to act in the best interests of the Issuer; and

(iii) its conflicts of interest/inducements policies (to the extent necessary or relevant).

Successor Requirements

Any removal or resignation of the Collateral Manager as described above that occurs while any Notes are outstanding under the Trust Deed will be effective only if:

(a) 10 days' prior notice is given to the Rating Agencies and the Trustee;

(b) Rating Agency Confirmation has been received from each Rating Agency in respect of such termination and assumption by an eligible successor; and

(c) the Issuer appoints an established institution as a successor Collateral Manager,

provided that:

(i) the successor Collateral Manager 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;

(ii) the successor Collateral Manager is legally qualified and has the capacity (including Irish regulatory capacity to provide Collateral Management services to Irish counterparties as a matter of the laws of Ireland) to act as Collateral Manager under the Collateral Management and Administration Agreement 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;

(iii) the appointment of the successor Collateral Manager will not cause either of the Issuer or Collateral to become required to register under the provisions of the Investment Company Act; and

(iv) the appointment and conduct of the successor Collateral Manager will not cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation or 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 (or to increased) value added or similar tax or cause any other material adverse tax consequences to the Issuer.

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. For the avoidance of doubt, no Notes either held in the form of CM Non-Voting Notes or CM Exchangeable Non-Voting Notes or held by or on behalf of the Collateral Manager or any of its Affiliates shall have any voting rights with respect to and shall not be counted for the purposes of determining a quorum and the results of voting on any CM Replacement Resolution. Any resignation, termination or removal of the Collateral Manager must satisfy the conditions described above under "*Appointment of Successor*".

No Voting Rights

Notes held in the form of CM Non-Voting Notes or CM Exchangeable Non-Voting Notes shall not have any voting rights in respect of, and shall not be counted for the purposes of determining a quorum and the result of voting on any CM Removal Resolution and/or any CM Replacement Resolution (but shall carry a right to vote and be so counted on all other matters in respect of which the CM Voting Notes have a right to vote and be counted).

Any Class A-1 Notes, Class A-2 Notes, Class B Notes and Class C Notes held by or on behalf of the Collateral Manager or any of its Affiliates shall only be held in the form of CM Exchangeable Non-Voting Notes and will therefore have no voting rights with respect to and shall not be counted for the purposes of determining a quorum and the results of voting on any CM Removal Resolution and/or CM Replacement Resolution (but shall carry a right to vote and be so counted on all other matters in respect of which CM Voting Notes have a right to vote and be counted).

Any Class D Notes, Class E Notes or Subordinated Notes held by or on behalf of the Collateral Manager or any of its Affiliates (a) will have no voting rights with respect to any vote (or written direction or consent) and (b) shall not be counted for the purposes of determining a quorum and the results of voting, in each case for the purposes of, any CM Removal Resolution and/or CM Replacement Resolution and 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 any of its Affiliates will have voting rights (including in respect of written directions and consents) with respect to all other matters as to which Noteholders of CM Voting Notes are entitled to vote. For

further information see "*Risk Factors – Relating to the Notes – Notes held by BGCF and the Collateral Manager*".

DESCRIPTION OF THE TRUSTEE

The information appearing in this section has been prepared by the Trustee and has not been independently verified by the Issuer, the Initial Purchaser or any other party. None of the Initial Purchaser or any other party other than the Trustee assumes any responsibility for the accuracy or completeness of such information.

Citibank, N.A. London Branch

Citibank, N.A. is a company incorporated with limited liability in the United States of America under the laws of the City and State of New York on 14 June 1812 and reorganised as a national banking association formed under the laws of the United States of America on 17 July 1865 with Charter number 1461 and having its principal business office at 399 Park Avenue, New York, NY 10043, USA and having in the United Kingdom a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018.

The London Branch is authorised and regulated by the Office of the Comptroller of the Currency (USA) and authorised by the Prudential Regulation Authority. It is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

Rule 3a-7

For so long as the Issuer relies on Rule 3a-7, the Trustee (and any successor) shall be a "bank" as defined in the Investment Company Act and shall otherwise meet the requirements of Rule 3a-7.

Termination and Resignation of Appointment of the Trustee

The resignation or removal of the Trustee and the appointment of a successor Trustee pursuant to the Trust Deed will not become effective until the acceptance of appointment by the successor Trustee under the Trust Deed.

The Transaction Documents provide, in substance, that, so long as the Issuer relies on Rule 3a-7, the Trustee shall not resign until either (i) the Portfolio has been completely liquidated and the proceeds of the liquidation distributed to the Secured Parties, or (ii) a successor Trustee, having the qualifications prescribed in Section 26(a)(1) of the Investment Company Act and otherwise meeting the requirements of Rule 3a-7, has been designated and has accepted such trusteeship.

DESCRIPTION OF THE COLLATERAL ADMINISTRATOR

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

General

Virtus Group LP ("**Virtus**") is a limited partnership incorporated under the laws of Texas and having its operating office at 25 Canada Square, Level 33, London E14 5LQ.

Virtus provides fixed-income collateral administration services and data on structured and non-structured transactions across a broad spectrum of investment vehicles, including collateralised loan obligations (CLOs), Total Returns Swaps (TRS), hedge and private equity funds and separately managed accounts. Virtus also provides solutions for fixed-income asset managers looking to outsource their Middle Office requirements. For administrative services requiring a trustee or custodian function, such as CLOs, Virtus has partnered with Citibank Agency & Trust to offer a seamless and holistic administrative package.

Established in 2005 and now with offices in Houston, Austin, London, New York and Shanghai, Virtus is one of the industry's leading CLO Collateral Administrators. Virtus administers over 8,000 loan facilities with total assets under administration over U.S. $250 billion across 250 portfolios and 100 managers.

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 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, the Trustee and the Collateral Manager. No resignation or removal of the Collateral Administrator will be effective until a successor collateral administrator has been appointed pursuant to the terms of the 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 or (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 any applicable regulatory requirements.

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.

The Collateral Manager will use reasonable endeavours to enter into Currency Hedge Transactions within 5 Business Days of the settlement of the purchase of any Non-Euro Obligations.

Replacement Hedge Transactions

***Currency Hedge Transactions*:** In the event that any Currency Hedge Transaction terminates in whole at any time other than in circumstances where the 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 any applicable regulatory requirements.

***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 any applicable regulatory requirements.

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 transactions, as necessary, to fund the Issuer's payment obligations under any Currency Hedge Transaction.

All amounts received by the Issuer in respect of Non-Euro Obligations shall be paid into the appropriate Currency Account and all amounts payable by the Issuer under any Currency Hedge Transaction (other than any initial exchange amounts payable in Euros by the Issuer, any Currency Hedge Replacement Payments and any Currency Hedge Issuer Termination Payments save to the extent otherwise provided in Condition 3(k)(ix) (*Currency Accounts*)) will be paid out of the appropriate Currency Account, in each case to the extent amounts are available therein.

Without prejudice to the rights of the relevant Currency Hedge Counterparty under the Currency Hedge Agreement, 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 the Issuer will not 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. Under each Hedge Agreement 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 (excluding, in some cases, any withholding or deduction required pursuant to FATCA). 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

Subject, in certain cases, to the rights of any Hedge Counterparty to Counterparty Downgrade Collateral pursuant to the terms of the relevant Hedge Agreement, Condition 3(k)(v) (*Counterparty Downgrade Collateral Accounts*) and any first priority security interest granted thereover by the Issuer to any Hedge Counterparty, 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 limited recourse and 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) 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 or obligations (as determined by the Hedge Counterparty acting in a commercially reasonable manner), or as further described in the relevant Hedge Agreement;

(e) 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;

(f) upon the early redemption in full or acceleration of the Notes;

(g) any Hedge Transactions becoming required to be centrally cleared; 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 satisfies any applicable regulatory requirements.

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.

DESCRIPTION OF THE REPORTS

Monthly Reports

The Collateral Administrator, not later than the eighth Business Day after the tenth calendar day (or if such day is not a Business Day, the immediately following Business Day) of each month (save in respect of any month for which a Payment Date Report or an Effective Date Report has been prepared) commencing on the earlier of 10 August 2016 and the Effective Date 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 tenth calendar day of each month (or if such day is not a Business Day, the immediately following Business Day) in consultation with the Collateral Manager made available alongside portfolio data in CSV format, amongst others, via a secured website currently located at https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Arranger, the Trustee, the Collateral Manager, the Hedge Counterparties, Intex Solutions, Inc. (or any other similar service providers as determined by the Collateral Manager in its reasonable judgement), Bloomberg, the Rating Agencies and the Noteholders from time to time) which shall be accessible to the Issuer, the Arranger, the Trustee, the Collateral Manager, the Hedge Counterparties, Intex Solutions, Inc. (or any other similar service providers as determined by the Collateral Manager in its reasonable judgement), Bloomberg and the Rating Agencies and, to any Noteholder by way of a unique password which in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes. 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 Securities, both including and excluding capitalised or deferring interest), LoanX ID, CUSIP number, ISIN 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, S&P Rating, S&P Recovery Rate and any other public rating (other than any confidential credit estimate), its Moody's industry category and S&P Industry Classification Group;

(e) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Obligation, whether such Collateral Obligation is a Secured Senior Obligation, Unsecured Senior Loan, Second Lien Loan, Mezzanine Obligation, High Yield Bond, Fixed Rate Collateral Obligation, Semi-Annual Obligation, Corporate Rescue Loan, PIK Security, Current Pay Obligation, Revolving Obligation, Delayed Drawdown Collateral Obligation, Bridge Loan, Discount Obligation, Swapped Non-Discount Obligation, Deferring Security, First Lien Last Out Loan, Cov-Lite Loan or a Cov-Lite 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) and 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 Security 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, S&P 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 each of 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 S&P 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;

(o) the identity (subject to any confidentiality obligations binding on the Issuer) and the Principal Balance of each Collateral Obligation which would be treated as a Cov-Lite Loan if it was not for the proviso in the definition thereof;

(p) the inputs used in sub-paragraphs (a) and (b) of the definition of Originator Requirement;

(q) the Collateral Administrator's determination in respect of the Originator Requirement, provided that the Collateral Manager provides the Collateral Administrator with details of trades entered into BGCF for the purposes of paragraphs (a) and (A) to the definition of the Originator Requirement and the Collateral Manager confirms its determination in respect of the proviso to the definition of Originator Requirement; and

(r) the identity (subject to any confidentiality obligations binding on the Issuer) of each Collateral Obligation in respect of which settlement has not yet occurred.

Accounts

(a) the Balances standing to the credit of each of the Accounts; and

(b) the purchase price, principal amount, redemption price, annual interest rate, maturity date and Obligor under each Eligible Investment purchased from funds in the Accounts.

Incentive Collateral Management Fee

(a) the accrued Incentive Collateral Management Fee.

Hedge Transactions

(a) the outstanding notional amount of each Hedge Transaction and the current rate of EURIBOR;

(b) the amount scheduled to be received and paid by the Issuer pursuant to each Hedge Transaction on or before the next Payment Date;

(c) the identity (subject to any confidentiality obligations binding on the Issuer) of each Hedge Counterparty;

(d) the then current S&P 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

(a) whether a Frequency Switch Event has occurred and the date of such Frequency Switch Event (as notified by the Collateral Manager to the Collateral Administrator).

Coverage Tests, Collateral Quality Tests and Reinvestment Par Value Tests

(a) a statement as to whether each of the Class A Par Value Test, the Class B Par Value Test, the Class C Par Value Test and the Class D Par Value Test is satisfied and details of the relevant Par Value Ratios;

(b) a statement as to whether each of the Class A Interest Coverage Test, the Class B Interest Coverage Test, the Class C Interest Coverage Test and the Class D 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) after the Reinvestment Period, a statement as to whether the Post-Reinvestment Period Par Value Test is satisfied;

(e) the Weighted Average Life and a statement as to whether the Weighted Average Life Test is satisfied;

(f) the Weighted Average Floating Spread (shown both as including and excluding the Aggregate Unfunded Spread and Aggregate Excess Funded Spread from the numerator), a statement as to whether the Minimum Weighted Average Floating Spread Test is satisfied and the amount of the Aggregate Excess Funded Spread;

(g) the Weighted Average Coupon and the Weighted Average Coupon Adjustment Percentage;

(h) so long as any Notes rated by Moody's are Outstanding, the Moody's Weighted Average Rating Factor and a statement as to whether the Moody's Maximum Weighted Average Rating Factor Test is satisfied;

(i) 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);

(j) 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;

(k) for so long as any Notes rated by S&P are Outstanding, the S&P Weighted Average Recovery Rate and a statement as to whether the S&P Minimum Weighted Average Recovery Rate Test is satisfied;

(l) a statement as to whether each of the other Collateral Quality Tests is satisfied (other than, following the expiry of the Reinvestment Period, the S&P CDO Monitor Test) and the pass levels thereof, together with details of the relevant S&P Matrix Spread; and

(m) 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 S&P 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 S&P 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 BGCF that:

(a) it continues to hold the Retention Notes; and

(b) it has not sold, hedged or otherwise mitigated its credit risk under or associated with the Retention Notes or the underlying Portfolio, except to the extent permitted in accordance with the Retention Requirements.

CM Voting Notes / CM Non-Voting Notes

For so long as any Class A-1 Notes are Outstanding:

(a) the aggregate Principal Amount Outstanding of all Class A-1 CM Voting Notes;

(b) the aggregate Principal Amount Outstanding of all Class A-1 CM Non-Voting Notes; and

(c) the aggregate Principal Amount Outstanding of all Class A-1 CM Exchangeable Non-Voting Notes.

For so long as any Class A-2 Notes are Outstanding:

(a) the aggregate Principal Amount Outstanding of all Class A-2 CM Voting Notes;

(b) the aggregate Principal Amount Outstanding of all Class A-2 CM Non-Voting Notes; and

(c) the aggregate Principal Amount Outstanding of all Class A-2 CM Exchangeable Non-Voting Notes.

For so long as any Class B Notes are Outstanding:

(a) the aggregate Principal Amount Outstanding of all Class B CM Voting Notes;

(b) the aggregate Principal Amount Outstanding of all Class B CM Non-Voting Notes; and

(c) the aggregate Principal Amount Outstanding of all Class B CM Exchangeable Non-Voting Notes.

For so long as any Class C Notes are Outstanding:

(a) the aggregate Principal Amount Outstanding of all Class C CM Voting Notes;

(b) the aggregate Principal Amount Outstanding of all Class C CM Non-Voting Notes; and

(c) the aggregate Principal Amount Outstanding of all Class C CM Exchangeable Non-Voting Notes.

Trading Requirements

Confirmation as to whether the Collateral Administrator has been provided with notice by the Issuer or the Collateral Manager (on behalf of the Issuer) of whether the Trading Requirements have ceased to apply as a result of the Issuer or the Collateral Manager (on behalf of the Issuer) having elected by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*) to rely solely on the exemption provided by Section 3(c)(7) of the Investment Company Act and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7).

Payment Date Report

The Collateral Administrator, on behalf, and at the expense, of the Issuer and in consultation with the Collateral Manager, shall compile a report 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://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Arranger, the Trustee, the Hedge Counterparties, Intex Solutions, Inc. (or any other similar service providers as determined by the Collateral Manager in its reasonable judgement), Bloomberg, the Rating Agencies and the Noteholders from time to time) which shall be accessible to the Issuer, the Arranger, the Trustee, the Collateral Manager, the Hedge Counterparties, Intex Solutions, Inc. (or any other similar service providers as determined by the Collateral Manager in its reasonable judgement), Bloomberg and the Rating Agencies and, to any Noteholder by way of a unique password which in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes. 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 (i) 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 (ii) 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-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E 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 which are Floating Rate Notes during the related Due Period; and

(e) whether a Frequency Switch Event has occurred and the date of such Frequency Switch Event.

Payment Date Payments

(a) the amounts payable 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 and Defaulted Interest Rate Hedge Termination Payments.

Accounts

(a) the Balance standing to the credit of the Interest Account at the end of the related Due Period;

(b) the Balance standing to the credit of the Principal Account at the end of the related Due Period;

(c) the Balance standing to the credit of the Interest Account immediately after all payments and deposits to be made on the next Payment Date;

(d) the Balance standing to the credit of the Principal Account immediately after all payments and deposits to be made on the next Payment Date;

(e) the amounts payable from the Interest Account through a transfer to the Payment Account pursuant to the Priorities of 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, Collateral Quality Tests and Reinvestment Par Value Tests*" above; and

(b) the information required pursuant to "*Monthly Reports – Portfolio Profile Tests*" above.

Frequency Switch Event

A statement as to whether each of the conditions set out in limbs (a), (b) and (c) of the definition of Frequency Switch Event is satisfied.

Hedge Transactions

The information required pursuant to "*Monthly Reports – Hedge Transactions*" above.

Risk Retention

The information required pursuant to "*Monthly Reports – Risk Retention*" above.

CM Voting Notes / CM Non-Voting Notes

The information required pursuant to "*Monthly Reports – CM Voting Notes / CM Non-Voting Notes*" above.

Trading Requirements

The information required pursuant to "*Monthly Reports – Trading Requirements*" 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 Central Bank of Ireland and in respect of the preparation of its financial statements and tax returns.

TAX CONSIDERATIONS

1 GENERAL

Purchasers of Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Note.

POTENTIAL PURCHASERS ARE WHOLLY RESPONSIBLE FOR DETERMINING THEIR OWN TAX POSITION IN RESPECT OF THE NOTES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THEIR TAX POSITION ON PURCHASE, OWNERSHIP, TRANSFER OR EXERCISE OF ANY NOTE SHOULD CONSULT THEIR OWN TAX ADVISERS. IN PARTICULAR, EXCEPT AS EXPRESSLY SET FORTH BELOW, NO REPRESENTATION IS MADE AS TO THE MANNER IN WHICH PAYMENTS UNDER THE NOTES WOULD BE CHARACTERISED BY ANY RELEVANT TAXING AUTHORITY. POTENTIAL INVESTORS SHOULD BE AWARE THAT THE RELEVANT FISCAL RULES OR THEIR INTERPRETATION MAY CHANGE, POSSIBLY WITH RETROSPECTIVE EFFECT, AND THAT THIS SUMMARY IS NOT EXHAUSTIVE. THIS SUMMARY DOES NOT CONSTITUTE LEGAL OR TAX ADVICE OR A GUARANTEE TO ANY POTENTIAL INVESTOR OF THE TAX CONSEQUENCES OF INVESTING IN THE NOTES.

2 IRISH TAXATION

The following is a summary of the principal Irish tax consequences for individuals and companies of ownership of the Notes based on the laws and practice of the Irish Revenue Commissioners currently in force in Ireland and may be subject to change. It deals with Noteholders who beneficially own their Notes as an investment. Particular rules not discussed below may apply to certain classes of taxpayers holding Notes, such as dealers in securities, trusts etc. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Taxation of Noteholders

Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest which should include interest payable on the Notes.

The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Note so long as the interest paid on the relevant Note falls within one of the following categories:

1 *Interest paid on a quoted Eurobond:* The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Note where:

(a) the Notes are quoted Eurobonds i.e. securities which are issued by a company (such as the Issuer), which are listed on a recognised stock exchange (such as the Irish Stock Exchange) and which carry a right to interest; and

(b) the person by or through whom the payment is made is not in Ireland, or if such person is in Ireland, either:

(i) the Notes are held in a clearing system recognised by the Irish Revenue Commissioners; (Euroclear and Clearstream, Luxembourg are, amongst others, so recognised); or

(ii) the person who is the beneficial owner of the Notes and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to a relevant person (such as a paying agent located in Ireland) in the prescribed form; and

(c) one of the following conditions is satisfied:

(i) the Noteholder is resident for tax purposes in Ireland or, if not so resident, is otherwise within the charge to corporation tax in Ireland in respect of the interest; or

(ii) the interest is subject under the laws of a relevant territory, without any reduction computed by reference to the amount of such interest, to a tax in a relevant territory which corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains received in that territory, by persons, from sources outside that territory; or

(iii) the Noteholder is not a company which, directly or indirectly, controls the Issuer, is controlled by the Issuer, or is controlled by a third company which also directly or indirectly controls the Issuer, and neither the Noteholder, nor any person connected with the Noteholder, is a person or persons:

(A) from whom the Issuer has acquired assets;

(B) to whom the Issuer has made loans or advances; or

(C) with whom the Issuer has entered into a swap agreement,

where the aggregate value of such assets, loans, advances or swap agreements represents not less than 75 per cent. of the aggregate value of the assets of the Issuer; or

(iv) at the time of issue of the Notes, the Issuer was not in possession, or aware, of any information which could reasonably be taken to indicate whether or not the interest would be subject, without any reduction computed by reference to the amount of such interest, to a tax in a relevant territory which corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains received in that territory from sources outside that territory.

where the term:

"**relevant territory**" means a member state of the European Union (other than Ireland) or a country with which Ireland has signed a double tax treaty ("**Relevant Territory**"); and

"**swap agreement**" means any agreement, arrangement or understanding that:

I. provides for the exchange, on a fixed or contingent basis, of one or more payments based on the value, rate or amount of one or more interest or other rates, currencies, commodities, securities, instruments of indebtedness, indices, quantitative measures, or other financial or economic interests or property of any kind, or any interest therein or based on the value thereof, and

II. transfers to a person who is a party to the agreement, arrangement or understanding or to a person connected with that person, in whole or in part, the financial risk associated with a future change in any such value, rate or amount without also conveying a current or future direct or indirect ownership interest in an asset (including any enterprise or investment pool) or liability that incorporates the financial risk so transferred.

Thus, so long as the Notes continue to be quoted on the Irish Stock Exchange, are held in Euroclear and/or Clearstream, Luxembourg, and one of the conditions set out in paragraph 1(c) above is satisfied, interest on the Notes can be paid by any paying agent acting on behalf of the Issuer free of any withholding or deduction for or on account of Irish income tax. If the Notes continue to be quoted but cease to be held in a recognised clearing system, interest on the Notes may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland and one of the conditions set out in paragraph 1(c) above is satisfied.

2 Interest paid by a qualifying company to certain non-residents:

If, for any reason, the exemption referred to above ceases to apply, interest payments may still be made free of withholding tax provided that:

(a) the Issuer remains a "qualifying company" (as defined in Section 110 of the TCA) and the Noteholder is a person which is resident in a Relevant Territory, and, where the recipient is a company, the interest is not paid to it in connection with a trade or business carried on by it in Ireland through a branch or agency. The test of residence is determined by reference to the law of the Relevant Territory in which the Noteholder claims to be resident. The Issuer must be satisfied that the terms of the exemption are satisfied; and

(b) one of the following conditions is satisfied:

(i) the Noteholder is a pension fund, government body or other person (which satisfies paragraph 1(c)(iii) above), which is resident in a Relevant Territory and which, under the laws of that territory, is exempted from tax that corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains in that territory; or

(ii) the interest is subject, without any reduction computed by reference to the amount of such interest, to a tax in a Relevant Territory which corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains received in that territory, by persons, from sources outside that territory.

Encashment Tax

In certain circumstances, Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) from interest on any Note, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any Noteholder. There is an exemption from encashment tax where the beneficial owner of the interest is not resident in Ireland and has made a declaration to this effect in the prescribed form to the encashment agent or bank.

Income Tax, PRSI and Universal Social Charge

Notwithstanding that a Noteholder may receive interest on the Notes free of withholding tax, the Noteholder may still be liable to pay Irish tax with respect to such interest.

Noteholders resident or ordinarily resident in Ireland who are individuals may be liable to pay Irish income tax, social insurance (PRSI) contributions and the universal social charge in respect of interest they receive on the Notes.

Interest paid on the Notes may have an Irish source and therefore may be within the charge to Irish income tax, notwithstanding that the Noteholder is not resident in Ireland. In the case of Noteholders who are non-resident individuals such Noteholders may also be liable to pay the universal social charge in respect of interest they receive on the Notes.

Ireland operates a self-assessment system in respect of tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

There are a number of exemptions from Irish income tax available to certain non-residents. Firstly, interest payments made by the Issuer are exempt from income tax so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA, the recipient is not resident in Ireland and is resident in a Relevant Territory and the interest is paid out of the assets of the Issuer. Secondly, interest payments made by the Issuer in the ordinary course of its trade or business to a company are exempt from income tax provided the recipient company is not resident in Ireland and is either resident for tax purposes in a Relevant Territory which imposes a tax that generally applies to interest receivable in that territory by companies from sources outside that territory and which tax corresponds to income tax or corporation tax in Ireland or the interest is exempted from the charge to Irish income tax under the terms of a double tax agreement which is either in force or which will come in to force once all ratification procedures have been completed. Thirdly, interest paid by the Issuer free of withholding tax under the quoted Eurobond exemption is exempt from income tax where the recipient is a person not resident in Ireland and resident in a Relevant Territory or is a company not resident in Ireland which

is under the control, whether directly or indirectly, of person(s) who by virtue of the law of a Relevant Territory are resident for the purposes of tax in a Relevant Territory and is not under the control of person(s) who are not so resident, or is a company not resident in Ireland where the principal class of shares of the company is substantially and regularly traded on a recognised stock exchange. For the purposes of these exemptions and where not specified otherwise, residence is determined under the terms of the relevant double taxation agreement or in any other case, the law of the country in which the recipient claims to be resident. Interest falling within the above exemptions is also exempt from the universal social charge.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

Relief from Irish income tax may also be available under the specific provisions of a double tax treaty between Ireland and the country of residence of the recipient.

Interest on the Notes which does not fall within the above exemptions is within the charge to income tax, and, in the case of Noteholders who are individuals, the charge to the universal social charge. In the past the Irish Revenue Commissioners have not pursued liability to income tax in respect of persons who are not regarded as being resident in Ireland except where such persons have a taxable presence of some sort in Ireland or seek to claim any relief or repayment in respect of Irish tax. However, there can be no assurance that the Irish Revenue Commissioners will apply this treatment in the case of any Noteholder.

Capital Gains Tax

A Noteholder will not be subject to Irish tax on capital gains on a disposal of Securities unless such Noteholder is either resident or ordinarily resident in Ireland or carries on a trade in Ireland through a branch or agency in respect of which the Notes were used or held.

Capital Acquisitions Tax

A gift or inheritance comprising Securities will be within the charge to capital acquisitions tax (which subject to available exemptions and reliefs, is currently levied at 33 per cent.) if either (i) the disponer or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponer is domiciled in Ireland irrespective of his residence or that of the donee/successor) on the relevant date or (ii) if the Notes are regarded as property situate in Ireland (i.e. if the Notes are physically located in Ireland or if the register of the Notes is maintained in Ireland).

Stamp Duty

No stamp duty or similar tax is imposed in Ireland (on the basis of an exemption provided for in Section 85(2)(c) of the Stamp Duties Consolidation Act, 1999 so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA and the proceeds of the Notes are used in the course of the Issuer's business), on the issue, transfer or redemption of the Notes.

3 United States Federal Income Taxation

Introduction

This is a discussion of certain U.S. federal income tax consequences of the acquisition, ownership, disposition, and retirement of the Notes. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a particular Noteholder based on such Noteholder's particular circumstances, nor does it address any aspect of state, local, or non-U.S. tax laws, alternative minimum tax considerations, the Medicare tax on net investment income or the possible application of U.S. federal gift or estate taxes. In particular, except as expressly set out below, this discussion does not address aspects of U.S. federal income taxation that may be applicable to Noteholders that are subject to special treatment, including Noteholders that:

(i) are financial institutions, insurance companies, dealers or traders in securities that use a mark-to-market method of accounting or tax-exempt organisations;

(ii) are certain former citizens or long-term residents of the United States;

(iii) are partnerships or other pass-through entities for U.S. federal income tax purposes;

(iv) hold Notes as part of a "straddle" or "integrated transaction"; or

(v) own or are deemed to own 10 per cent. or more, by voting power or value, of the equity of the Issuer (including Subordinated Notes and any other Notes treated as equity for U.S. federal income tax purposes).

This discussion considers only Noteholders that will hold Notes as capital assets and U.S. holders whose functional currency is the U.S. dollar. This discussion is generally limited to the tax consequences to initial Noteholders that purchase Notes upon their initial issue at their initial issue price (and does not address the potential tax consequences to Noteholders of making a contribution to the Issuer in accordance with Condition 3(d) (*Contributions*)).

For purposes of this discussion, "**U.S. holder**" means a beneficial owner of a Note that is, for U.S. federal income tax purposes:

(i) a citizen or individual resident of the United States;

(ii) a corporation created or organised under the laws of the United States or any political subdivision thereof or therein;

(iii) an estate, the income of which is subject to U.S. federal income tax regardless of the source; or

(iv) a trust, (i) that validly elects to be treated as a U.S. person for U.S. federal income tax purposes; or (ii)(A) if a court within the U.S. is able to exercise primary supervision over the administration of the trust; and (B) one or more U.S. persons have the authority to control all substantial decisions of the trust.

The term "**non-U.S. holder**" means, for purposes of this discussion, a beneficial owner of the Notes, other than a partnership, that is not a U.S. holder.

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 the consequences of the acquisition, ownership, disposition and retirement of the Notes.

This discussion is based upon the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), final, temporary and proposed Treasury regulations, and administrative pronouncements and court decisions, each as available and in effect as of the date hereof. All of the foregoing are subject to change, possibly on a retroactive basis, and any such change could affect the continuing validity of this discussion. Furthermore, there are no cases or rulings by the IRS addressing entities similar to the Issuer or securities similar to the Notes. As a result, the IRS might disagree with all or part of the discussion below. No rulings will be requested of the IRS regarding the issues discussed below or the U.S. federal income tax characterisation of the Notes.

Prospective Noteholders should consult their tax advisor concerning the application of U.S. federal income tax laws, as well as the laws of any state or local taxing jurisdiction, to their particular situation.

United States Taxation of the Issuer

The Issuer will be treated as a foreign corporation for U.S. federal income tax purposes.

The Issuer intends to operate so as not to be subject to U.S. federal income tax on its net income. In this regard, the Issuer will receive an opinion of Weil, Gotshal & Manges LLP to the effect that, if the Issuer and the Collateral Manager comply with Transaction Documents, including the tax guidelines appended to the Collateral Management and Administration Agreement (the "**Tax Guidelines**"), and certain other assumptions specified in the opinion are satisfied, although no authority exists that deals with situations substantially similar to those of the Issuer, the contemplated 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 under current law. This opinion will be based on certain assumptions and certain representations and agreements regarding restrictions

on the future activities of the Issuer and the Collateral Manager. The Issuer intends to conduct its business in accordance with the assumptions, representations and agreements upon which such opinion is based. In complying with such assumptions, representations and agreements, the Issuer and the Collateral Manager are entitled to rely in the future upon the advice and/or opinions of their selected counsel, and the opinion of Weil, Gotshal & Manges LLP will assume that any such advice and/or opinions are correct and complete. Investors should be aware that the opinion of Weil, Gotshal & Manges LLP simply represents counsel's best judgment and is not binding on the IRS or the courts. In this regard, there are no authorities that deal with situations substantially identical to the Issuer's, and the Issuer could be treated as engaged in the conduct of a trade or business within the United States as a result of unanticipated activities, changes in law, contrary conclusions by the IRS or other causes. Failure of the Issuer to comply with the Tax Guidelines or other Transaction Documents may not give rise to a default or an Event of Default and may not give rise to a claim against the Issuer or the Collateral Manager. In the event of such a failure, the Issuer could be engaged in a U.S. trade or business for U.S. federal income tax purposes. Moreover, a change in law or its interpretation 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 were determined that the Issuer is engaged in a trade or business in the United States for U.S. federal income tax purposes, and the Issuer has taxable income that is effectively connected with such U.S. trade or business, the Issuer would be subject under the Code to the regular U.S. corporate income tax on its effectively connected taxable income (computed possibly without any allowance for deductions), and possibly to a 30 per cent. branch profits tax and state and local taxes. The imposition of such a tax liability could materially adversely affect the Issuer's ability to make payments on the Notes. The balance of this summary assumes that the Issuer is not subject to U.S. federal income tax on its net income.

U.S. Characterisation and U.S. Tax Treatment of the Rated Notes

Characterisation of the Rated Notes. Upon the issuance of the Notes, Weil, Gotshal & Manges LLP will deliver an opinion generally to the effect that under current law, assuming compliance with the Transaction Documents, and based on certain assumptions and factual representations made by the Issuer and/or the Collateral Manager, the Class A Notes, the Class B Notes and the Class C Notes will be treated, and the Class D Notes should be treated, as debt of the Issuer for U.S. federal income tax purposes. No opinion will be given in respect of the Class E Notes, although the Issuer intends to treat the Class E Notes as debt of the Issuer for U.S. federal income tax purposes.

The Issuer has agreed and, by its acceptance of a Rated Note, each Noteholder of a Rated Note (or any interest therein) will be deemed to have agreed, to treat the Rated Notes as debt of the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law. Nevertheless, the IRS could assert, and a court could ultimately hold, that one or more Classes of Rated Notes, particularly the more junior classes of Rated Notes, are equity in the Issuer. If any Rated Notes were treated as equity interests the U.S. federal income tax consequences of investing in those Rated Notes would be the same as described below with respect to investments in the Subordinated Notes (including, the special and potentially adverse U.S. tax rules applicable to U.S. equity owners in PFICs). Except as otherwise indicated, the balance of this summary assumes that all of the Rated Notes are treated as debt of the Issuer for U.S. federal income tax purposes. Prospective investors in the Rated Notes should consult their tax advisors regarding the U.S. federal income tax consequences with respect to the Rated Notes and the Issuer in the event such Rated Notes are treated as equity in the Issuer.

U.S. Federal Tax Treatment of U.S. holders of the Secured Notes

Payments of Stated Interest on the Class A-1 Notes and Class A-2 Notes. A U.S. holder that uses the cash method for U.S. federal income tax purposes and that receives a payment of stated interest on the Class A-1 Notes or Class A-2 Notes will be required to include in income (as ordinary income from sources outside the United States) the U.S. dollar value of the euro interest payment (determined based on the spot rate on the date such payment is received) regardless of whether the payment is in fact converted to U.S. dollars at such time. A cash method U.S. holder will not recognize exchange gain or loss with respect to the receipt of such stated interest.

A U.S. holder that uses the accrual method of accounting for U.S. federal income tax purposes will be required to include in income (as ordinary income from sources outside the United States) the U.S. dollar value of the amount of stated interest income in euros that has accrued with respect to its Class A-1 Notes and Class A-2 Notes during an accrual period. The U.S. dollar value of such euro denominated accrued stated interest will be

determined by translating such amount at the average spot rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average spot rate of exchange for the partial period within each taxable year. An accrual basis U.S. holder may elect, however, to translate such accrued stated interest income into U.S. dollars using the spot rate of exchange on the last day of the interest accrual period or, with respect to an accrual period that spans two taxable years, using the spot rate of exchange on the last day of the taxable year. Alternatively, if the last day of an accrual period is within five business days of the date of receipt of the accrued stated interest, a U.S. holder that has made the election described in the prior sentence may translate such interest using the spot rate of exchange on the date of receipt of the stated interest. The above election will apply to all foreign currency denominated debt instruments held by an electing U.S. holder and may not be changed without the consent of the IRS. U.S. holders should consult their own tax advisors prior to making such an election. A U.S. holder that uses the accrual method of accounting for U.S. federal income tax purposes will recognize exchange gain or loss with respect to accrued stated interest income on the date such interest is received. The amount of exchange gain or loss recognized will equal the difference, if any, between the U.S. dollar value of the euro payment received (determined based on the spot rate on the date such stated interest is received) in respect of such accrual period and the U.S. dollar value of the stated interest income that has accrued during such accrual period (as determined above), regardless of whether the payment is in fact converted to U.S. dollars at such time. Any such exchange gain or loss generally will constitute ordinary income or loss and be treated, for foreign tax credit purposes, as U.S. source income or loss, and generally not as an adjustment to interest income or expense.

Payments of Stated Interest and OID on the Deferral Notes; OID on the Class A-1 Notes and Class A-2 Notes. The Issuer will treat the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (together, the "**Deferrable Notes**") as issued with original issue discount ("**OID**") for U.S. federal income tax purposes. The total amount of OID with respect to a Deferrable Note will equal the sum of all payments to be received under such Note less its issue price (the first price at which a substantial amount of Notes within the applicable Class was sold to investors). In addition, if the discount at which a substantial amount of the Class A-1 Notes and Class A-2 Notes is first sold to investors is at least 0.25 per cent. of the principal amount of that Class, multiplied by the number of complete years to the weighted average maturity of the Class, then the Issuer will treat that Class as issued with OID for U.S. federal income tax purposes. The total amount of such discount with respect to a Note within the Class will equal the excess of the principal amount of the Note over its issue price.

U.S. holders of the Deferrable Notes, or, if issued with OID, the Class A-1 Notes or Class A-2 Notes will be required to include OID (as ordinary income from sources outside the United States) in advance of the receipt of cash attributable to such income. A U.S. holder of Deferrable Notes, or, if issued with OID, the Class A-1 Notes and the Class A-2 Notes will be required to include OID in income as it accrues (regardless of the U.S. holder's method of accounting) under a constant yield method. Accruals of any such OID will be based on the Weighted Average Life of the applicable Class rather than its Stated Maturity. In the case of the Deferrable Notes, accruals of OID on the Notes will be calculated by assuming that interest will be paid over the life of the applicable Class based on the value of LIBOR used in setting the interest rate for the first Payment Date, and then adjusting the accrual for each subsequent Payment Date based on the difference between the value of LIBOR used in setting interest for that subsequent Payment Date and the assumed rate. It is possible, however, that the IRS could assert, and a court could ultimately hold, that some other method of accruing OID on the Deferrable Notes, or, if applicable, the Class A-1 Notes or Class A-2 Notes should apply.

OID on the Notes will be determined for any accrual period in euros and then translated into U.S. dollars in accordance with either of the two alternative methods described above in the second paragraph under "*Payments of Stated Interest on the Class A-1 Notes and Class A-2 Notes*". A U.S. holder will recognize exchange gain or loss when OID is paid (including, upon the disposition of a Note, the receipt of proceeds that include amounts attributable to OID previously included in income) to the extent of the difference, if any, between the U.S. dollar value of the euro payment received, determined based on the spot rate on the date such payment is received, and the U.S. dollar value of the accrued OID, as determined in the manner described above. For these purposes, all receipts on a Note will be viewed first, in the case of the Class A-1 Notes or Class A-2 Notes, if issued with OID, as payments of stated interest payable on the such Note; second, as receipts of previously accrued OID (to the extent thereof), with payments considered made for the earliest accrual periods first; and third, as receipts of principal. Exchange gain or loss generally will constitute ordinary income or loss and be treated as U.S. source income or loss, and generally not as an adjustment to interest income or expense.

Because the OID rules are complex, each U.S. holder of a Note treated as issued with OID should consult with its own tax advisor regarding the acquisition, ownership, and disposition of such Note. Interest on the Notes

received by a U.S. holder will generally be treated as foreign source "passive income" for U.S. foreign tax credit purposes, or, in certain cases, "general category income".

Sale, exchange, retirement or other taxable disposition of Notes. Upon the sale, exchange, retirement or other taxable disposition of a Rated Note, a U.S. holder generally will recognize gain or loss equal to the difference, if any, between the amount realized upon such disposition (less, in the case of the Class A-1 Notes or Class A-2 Notes any amount equal to any accrued but unpaid stated interest, which will be taxable as stated interest income as discussed above to the extent not previously included in income by the U.S. holder) and such U.S. holder's adjusted tax basis in the Note.

A U.S. holder's adjusted tax basis in a Rated Note will, in general, be the cost of such Note to such U.S. holder (i) increased by any OID previously accrued by such U.S. holder with respect to such Note and (ii) reduced by all payments received on such Note other than, in the case of the Class A-1 Notes or Class A-2 Notes, payments of stated interest. The cost of a Rated Note purchased with foreign currency will generally be the U.S. dollar value of the foreign currency purchase price on the date of purchase, calculated at the exchange rate in effect on that date. If the applicable Note is traded on an established securities market, a cash basis taxpayer (and if it elects, an accrual basis taxpayer) will determine the U.S. dollar value of the cost of the Rated Note at the spot rate on the settlement date of the purchase.

If a U.S. holder receives foreign currency on such a sale, exchange, retirement or other taxable disposition of a Rated Note, the amount realized generally will be based on the U.S. dollar value of such foreign currency translated at the spot rate on the date of disposition. In the case of a Rated Note that is considered to be traded on an established securities market, a cash basis U.S. holder and, if it so elects, an accrual basis U.S. holder, will determine the U.S. dollar value of such foreign currency by translating such amount at the spot rate on the settlement date of the disposition. The special election available to accrual basis U.S. holders in regard to the purchase and disposition of Rated Notes of a Class traded on an established securities market must be applied consistently to all debt instruments held by the U.S. holder and cannot be changed without the consent of the IRS. If the Rated Notes of a Class are not traded on an established securities market (or the relevant holder is an accrual basis U.S. holder that does not make the special settlement date election), a U.S. holder will recognize exchange gain or loss to the extent that there are exchange rate fluctuations between the disposition date and the settlement date, and such gain or loss generally will constitute U.S. source ordinary income or loss.

Gain or loss recognized upon the sale, exchange, retirement or other taxable disposition of a Rated Note that is attributable to fluctuations in currency exchange rates with respect to the principal amount of such Note generally will be U.S. source ordinary income or loss and generally will not be treated as interest income or expense. Gain or loss attributable to fluctuations in currency exchange rates with respect to the principal amount of a Rated Note generally will equal the difference, if any, between the U.S. dollar value of the U.S. holder's foreign currency purchase price for the Rated Note, determined at the spot rate on the date principal is received from the Issuer or the U.S. holder disposes of the Rated Note, and the U.S. dollar value of the U.S. holder's foreign currency purchase price for the Note, determined at the spot rate on the date the U.S. holder purchased such Note. In addition, upon the sale, exchange, retirement or other taxable disposition of a Rated Note, a U.S. holder may recognize exchange gain or loss attributable to amounts received with respect to accrued and unpaid stated interest and accrued OID, if any, which will be treated as discussed above. However, upon a sale, exchange, retirement or other taxable disposition of a Rated Note, a U.S. holder will recognize any exchange gain or loss (including with respect to accrued interest and accrued OID) only to the extent of total gain or loss realized by such U.S. holder on such disposition. Any gain or loss recognized upon the sale, exchange, retirement or other taxable disposition of a Rated Note in excess of exchange gain or loss attributable to such disposition generally will be U.S. source gain or loss and generally will be capital gain or loss. Capital gains of non-corporate U.S. holders (including individuals) derived in respect of capital assets held for more than one year are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

A U.S. holder will recognize exchange gain or loss upon the receipt of principal payments on a Rated Note (prior to maturity) attributable to the fluctuation in currency exchange rates with respect to such principal payment in an amount equal to the difference, if any, between the U.S. dollar value of the U.S. holder's foreign currency purchase price attributable to such principal payment, determined at the spot rate on the date such principal payment is received from the Issuer, and the U.S. dollar value of the U.S. holder's foreign currency purchase price attributable to such principal payment, determined at the spot rate on the date the U.S. holder purchased such Note. Exchange gain or loss generally will constitute ordinary income or loss and be treated as U.S. source income or loss, and generally not as an adjustment to interest income or expense.

Alternate Characterizations. It is possible that one or more Classes of the Rated Notes could be treated as "contingent payment debt instruments" for U.S. federal income tax purposes. In this event, the timing of a U.S. holder's OID inclusions could differ from that described above and any gain recognized on the sale, exchange, or retirement of such Notes would be treated as ordinary income and not capital gain. In addition, it is possible that one or more Classes of Notes, particularly the Class E Notes, may be treated as equity, rather than debt, of the Issuer, in which case such classes of Notes would be treated as described below under "*U.S. Tax Treatment of U.S. holders of the Subordinated Notes*" and certain transfer and reporting requirements could apply, as described under "*Transfer and Other Reporting Requirements*" below.

Exchange of Foreign Currencies. A U.S. holder will have a tax basis in any euro received as payment of stated interest, OID or principal, or upon the sale, exchange, retirement or other taxable disposition of a Note equal to the U.S. dollar value thereof at the spot rate of exchange in effect on the date of receipt of the euros. Any gain or loss realized by a U.S. holder on a sale or other disposition of euros, including their exchange for U.S. dollars, will be ordinary income or loss generally not treated as interest income or expense and generally will be income or loss from sources within the United States for U.S. foreign tax credit purposes.

U.S. Tax Treatment of U.S. holders of the Subordinated Notes

The Issuer has agreed and, by its acceptance of a Subordinated Note, each Noteholder of a Subordinated Note will be deemed to have agreed, to treat all Subordinated Notes as equity in the Issuer for U.S. federal income tax purposes, except as otherwise required by any U.S. governmental authority. If U.S. holders of the Subordinated Notes were treated as owning debt of the Issuer, the U.S. federal income tax consequences to those U.S. holders would be as described under "*U.S. Federal Tax Treatment of U.S. Holders of the Secured Notes*". The balance of this discussion assumes that the Subordinated Notes will properly be characterised as equity in the Issuer. Prospective investors should consult their own tax advisors regarding the consequences of acquiring, holding or disposing of the Subordinated Notes.

Investment in a Passive Foreign Investment Company. A foreign corporation will be classified as a "passive foreign investment company" ("**PFIC**") for U.S. federal income tax purposes if 75 per cent. or more of its gross income (including the *pro rata* share of the gross income of any corporation in which the Issuer is considered to own 25 per cent. or more of the shares by value) in a taxable year is passive income. Alternatively, a foreign corporation will be classified as a PFIC if at least 50 per cent. of its assets, averaged over the year and generally determined based on fair market value (including the *pro rata* share of the assets of any corporation in which the Issuer is considered to own 25 per cent. or more of the shares by value) are held for the production of, or produce, passive income.

Based on the assets that the Issuer expects to hold and the income anticipated thereon, it is highly likely that the Issuer will be classified as a PFIC for U.S. federal income tax purposes. Accordingly, the following discussion assumes that the Issuer will be a PFIC throughout the term of the Subordinated Notes, and U.S. holders of Subordinated Notes should assume that they will be subject to the U.S. federal income tax consequences described below that result from owning stock in a PFIC (subject to the discussion below under "*Investment in a Controlled Foreign Corporation*").

Unless a U.S. holder elects to treat the Issuer as a "qualified electing fund" (as described in the next paragraph), upon certain distributions ("**excess distributions**") by the Issuer and upon a disposition of the Subordinated Notes at a gain, the U.S. holder will be liable to pay tax at the highest tax rate on ordinary income in effect for each period to which the income is allocated plus interest on the tax, as if such distributions and gain had been recognised rateably over the U.S. holder's holding period for the Subordinated Notes. An interest charge is also applied to the deferred tax amount resulting from the deemed rateable distribution.

If a U.S. holder elects to treat the Issuer as a "qualified electing fund" ("**QEF**") for the first year of its holding period, distributions and gain will not be taxed as if recognised rateably over the U.S. holder's holding period or subject to an interest charge. Instead, a U.S. holder that makes a QEF election is required for each taxable year to include in income the U.S. holder's *pro rata* share of the ordinary earnings of the qualified electing fund as ordinary income and a *pro rata* share of the net capital gain of the qualified electing fund as capital gain, regardless of whether such earnings or gain have in fact been distributed (assuming the discussion below under "*Investment in a Controlled Foreign Corporation*" does not apply), and subject to a separate election to defer payment of taxes, which deferral is subject to an interest charge. Consequently, in order to comply with the requirements of a QEF election, a U.S. holder must receive from the Issuer certain information ("**QEF Information**"). The Issuer will cause, at the Issuer's expense, its independent accountants to provide U.S.

holders of the Subordinated Notes, upon request by such U.S. holder, with the information reasonably available to the Issuer that a U.S. holder would need to make a QEF election.

As a result of the nature of the Collateral Obligations that the Issuer intends to hold, the Issuer may hold investments treated as equity of foreign corporations that are PFICs. In such a case, assuming that the Issuer is a PFIC, a U.S. holder would be treated as owning its *pro rata* share of the stock of the PFIC owned by the Issuer. Such a U.S. holder would be subject to the rules generally applicable to shareholders of PFICs discussed above with respect to distributions received by the Issuer from such PFIC and dispositions by the Issuer of the stock of such PFIC (even though the U.S. holder may not have received the proceeds of such distribution or disposition). Assuming the Issuer receives the necessary information from the PFIC in which it owns stock, certain U.S. holders may make the QEF election discussed above with respect to the stock of such PFIC. However, no assurance can be given that the Issuer will be able to provide U.S. holders with such information.

Special rules apply to certain regulated investment companies that own interests in PFICs and any such investor should consult with its own tax advisors regarding the consequences to it of acquiring Subordinated Notes. 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. If a U.S. holder does not file Form 8621, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. holder for the related tax year may not close before the date which is three years after the date on which such report is filed. Prospective investors should consult their own tax advisors regarding the potential application of the PFIC rules.

Investment in a Controlled Foreign Corporation. Depending on the degree of ownership of the Subordinated Notes and other equity interests in the Issuer by U.S. holders and whether the Subordinated Notes are treated as voting securities, the Issuer may constitute a controlled foreign corporation ("**CFC**"). In general, a foreign corporation will constitute a CFC if more than 50 per cent. of the shares of the corporation, measured by reference to combined voting power or value, are owned, directly or indirectly, by "**U.S. 10 per cent. Shareholders**". A "**U.S. 10 per cent. Shareholder**", for this purpose, is any U.S. person that owns or is treated as owning under specified attribution rules, 10 per cent. or more of the combined voting power of all classes of shares of a foreign corporation. It is possible that the IRS may assert that the Subordinated Notes should be treated as voting securities, and consequently that the U.S. holders owning Subordinated Notes so treated, or any combination of such Subordinated Notes and other voting securities of the Issuer, that constitute 10 per cent. or more of the combined voting power of all classes of shares of the Issuer are "U.S. 10 per cent. Shareholders" and that, assuming more than 50 per cent. of the Subordinated Notes and other voting securities of the Issuer are held by such U.S. 10 per cent. Shareholders, the Issuer is a CFC.

If the Issuer were treated as a CFC, a U.S. 10 per cent. Shareholder of the Issuer would be treated, subject to certain exceptions, as receiving a distribution, taxable as ordinary income at the end of the taxable year of the Issuer in an amount equal to that person's *pro rata* share of the "subpart F income" and investments in U.S. property of the Issuer. Among other items, and subject to certain exceptions, "subpart F income" includes dividends, interest, annuities, gains from the sale of shares and securities, certain gains from commodities transactions, certain types of insurance income and income from certain transactions with related parties. It is likely that, if the Issuer were to constitute a CFC, substantially all of its income would be subpart F income. In addition, special rules apply to determine the appropriate exchange rate to be used to translate such amounts treated as a distribution and the amount of any foreign currency gain or loss with respect to distributions of previously taxed amounts attributable to movements in exchange rates between the times of deemed and actual distributions. The Issuer will cause, at the Issuer's expense, its independent accountants to provide U.S. holders of the Subordinated Notes, upon request by such U.S. holder, with the information reasonably available to the Issuer that a U.S. holder reasonably requests to assist such holder with regard to filing requirements under the CFC rules. Unless otherwise noted, the discussion below assumes that the Issuer is not a CFC. U.S. holders should consult their tax advisors regarding these special rules.

If the Issuer were to constitute a CFC, for the period during which a U.S. holder of Subordinated Notes is a U.S. 10 per cent. Shareholder of the Issuer, such Noteholder generally would be taxable on the subpart F income and investments in U.S. property of the Issuer under rules described in the preceding paragraph and not under the PFIC rules previously described. A U.S. holder that is a U.S. 10 per cent. Shareholder of the Issuer subject to the CFC rules for only a portion of the time during which it holds Subordinated Notes should consult its own tax advisor regarding the interaction of the PFIC and CFC rules.

Distributions on the Subordinated Notes. Except to the extent that distributions are attributable to amounts previously taxed pursuant to the CFC rules or a QEF election is made, some or all of any distributions with respect to the Subordinated Notes may constitute excess distributions, taxable as previously described. Distributions of current or accumulated earnings and profits of the Issuer which are not excess distributions will be taxed as dividends when received. The amount of such income is determined by translating euro received into U.S. dollars at the spot rate on the date of receipt. A U.S. holder may realise foreign currency gain or loss on a subsequent disposition of the euro received.

Disposition of the Subordinated Notes. In general, a U.S. holder of a Subordinated Note will recognise gain or loss upon the sale or exchange of the Subordinated Note equal to the difference between the amount realised and such Noteholder'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 Noteholder by virtue of the QEF or CFC rules (if applicable), and decreased by actual distributions from the Issuer that are deemed to consist of such previously taxed amounts or are treated as a non-taxable return of capital. A U.S. holder that receives foreign currency upon the sale or other disposition of the Subordinated Notes generally will realise an amount equal to the U.S. Dollar value of the foreign currency on the date of sale. A U.S. holder will have a tax basis in the foreign currency received equal to the U.S. Dollar amount realised. If, however, the Subordinated Notes are traded on an established securities market, a cash basis U.S. holder or electing accrual basis U.S. holder will determine the amount realised on the settlement date.

Unless a QEF election is made, it is highly likely that any gain realised on the sale or exchange of a Subordinated Note will be treated as an excess distribution and taxed as ordinary income under the special tax rules described above (assuming that the PFIC rules apply and not the CFC rules).

Subject to a special limitation for individual U.S. holders that have held the Subordinated Notes for more than one year, if the Issuer were treated as a CFC and a U.S. holder were treated as a U.S. 10 per cent. Shareholder therein, then any gain realised by such Noteholder upon the disposition of Subordinated Notes would be treated as ordinary income to the extent of the U.S. holder's *pro rata* share of current and accumulated earnings and profits of the Issuer and any of its subsidiaries. In this respect, earnings and profits would not include any amounts previously taxed pursuant to the CFC rules.

Foreign Currency Gain or Loss. A U.S. holder of Subordinated Notes (or other Notes treated as equity interests in the Issuer) that recognises income from the Subordinated Notes under the QEF or CFC rules discussed above will recognise foreign currency gain or loss attributable to movement in foreign exchange rates between the date when it recognised income under those rules and the date when the income actually is distributed. Any such foreign currency gain or loss will be treated as ordinary income or loss from the same source as the associated income inclusion.

A U.S. holder that receives foreign currency upon the sale or other disposition of the Subordinated Notes generally will realise an amount equal to the U.S. dollar value of the foreign currency on the date of sale or disposition. A U.S. holder will have a tax basis in the foreign currency received equal to the U.S. dollar amount realised. Any gain or loss realised by a U.S. holder on a subsequent disposition of the foreign currency will be foreign currency gain or loss, generally treated as U.S. source ordinary 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.

Transfer and Other Reporting Requirements

In general, U.S. holders who acquire Subordinated Notes (or any Class of Notes that is recharacterised as equity in the Issuer) for cash may be required to file a Form 926 with the IRS and to supply certain additional information to the IRS if (i) such U.S. holder owns (directly or indirectly) immediately after the transfer, at least 10 per cent. by vote or value of the Issuer or (ii) the transfer when aggregated with all related transfers under applicable regulations, exceeds U.S. $100,000. In the event a U.S. holder that is required to file fails to file such form, that U.S. holder could be subject to a penalty of up to U.S. $100,000 (computed as 10 per cent. of the gross amount paid for the Subordinated Notes) or more if the failure to file was due to intentional disregard of its obligation.

In addition, a U.S. holder of Subordinated Notes (or any Class of Notes that is recharacterised as equity in the Issuer) that owns (actually or constructively) at least 10 per cent. by vote or value of the Issuer (and each officer or director of the Issuer that is a U.S. citizen or resident) may be required to file an information return on IRS Form 5471. A U.S. holder of Subordinated Notes generally is required to provide additional information regarding the Issuer annually on IRS Form 5471 if it owns (actually or constructively) more than 50 per cent. by vote or value of the Issuer. U.S. holders should consult their own tax advisors regarding whether they are required to file IRS Form 5471. In the event a U.S. holder that is required to file such form fails to file such form, the U.S. holder could be subject to a penalty of U.S. $10,000 for each such failure to file (in addition to other consequences).

Prospective investors in the Notes should consult with their own tax advisors regarding whether they are required to file IRS Form 8886 in respect of the Notes. Such filing generally will be required if such investors file U.S. federal income tax returns or U.S. federal information returns and recognise losses in excess of a specified threshold, and significant penalties may be imposed on taxpayers that fail to file the form timely. Such filing will also generally be required by a U.S. holder of the Subordinated Notes if the Issuer both participates in certain types of transactions that are treated as "reportable transactions," such as a transaction in which its loss exceeds a specified threshold, and either (x) such U.S. holder owns 10 per cent. or more of the aggregate amount of the Subordinated Notes and makes a QEF Election with respect to the Issuer or (y) the Issuer is treated as a CFC and such U.S. holder is a "U.S. Shareholder" (as defined above) of the Issuer. If the Issuer does participate in a reportable transaction, it will make reasonable efforts to make such information available. Significant penalties may be imposed on taxpayers required to file Form 8886 that fail to do so timely.

Certain U.S. holders that hold certain foreign financial assets must file new IRS Form 8938 to report the ownership of such assets if the total value of those assets exceeds the applicable threshold amounts. In general, specified foreign financial assets include debt or equity interests (that are not regularly traded on an established securities market) issued by foreign financial institutions (such as the Issuer), and any interest in a foreign entity that is not a financial institution, including any stock or security, and any financial instrument or contract held for investment that has an issuer or counterparty that is not a U.S. person. In addition, certain non-resident aliens may be required to file IRS Form 8938, notwithstanding the availability of any special treatment under an income tax treaty. In general, such form is not required with respect to assets held through a U.S. payer, such as a U.S. financial institution and U.S. branches of non-U.S. banks, and certain non-U.S. branches or subsidiaries of U.S. financial institutions.

Taxpayers who fail to make the required disclosure with respect to any taxable year are subject to a penalty of U.S. $10,000 for such taxable year, which may be increased to U.S. $50,000 for a continuing failure to file the form after being notified by the IRS. All U.S. holders should consult their tax advisors with respect to whether a Note is a foreign financial asset that (if the applicable threshold were met) would be subject to this rule.

Failure to file IRS Forms 926, 5471, 8621 or 8938, if applicable, will extend the statute of limitations for all or a portion of a taxpayer's related income tax return until at least three years after the date on which the form is filed.

Prospective investors in the Notes should consult their own tax advisors concerning any possible disclosure obligations with respect to their ownership or disposition of the Notes in light of their particular circumstances.

U.S. Tax Treatment of Non-U.S. holders of Notes

Subject to the discussions below under "*Information Reporting and Backup Withholding*" and "*Foreign Account Tax Compliance Act*", 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.

Information Reporting and Backup Withholding

The amount of interest and principal paid or accrued on the Notes, and the proceeds from the sale of a Note, in each case, paid within the United States or by a U.S. payor or U.S. middleman to a U.S. person (other than a

corporation or other exempt recipient) will be reported to the IRS. Under the Code, a U.S. person may be subject, under certain circumstances, to "backup withholding tax" with respect to interest and principal on a Note or the gross proceeds from the sale of a Note paid within the United States or by a U.S. middleman or United States payor to a U.S. Person. Backup withholding tax generally applies only if the U.S. person: (a) fails to furnish its social security or other taxpayer identification number within a reasonable time after the request therefore; (b) furnishes an incorrect taxpayer identification number; (c) is notified by the IRS that it has failed to properly report interest OID or dividends; or (d) fails, under certain circumstances, to provide a certified statement, signed under penalty of perjury, that it has furnished a correct taxpayer identification number and has not been notified by the IRS that it is subject to backup withholding tax for failure to report interest and dividend payments.

Non-U.S. holders or, in certain cases, their beneficial owners may be required to comply with certification procedures to establish that they are not U.S. holders in order to avoid information reporting and backup withholding tax.

Backup withholding is not an additional tax. The amount of any backup withholding collected from a payment will be allowed as a credit against the recipient's U.S. federal income tax liability and may entitle the recipient to a refund, so long as the required information is properly furnished to the IRS. Noteholders should consult their own tax advisers about any additional reporting requirements that may arise as a result of their purchasing, holding or disposing of Notes.

4 Foreign Account Tax Compliance Act

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income, and on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into between the United States and Ireland, the Issuer will not be subject to withholding under FATCA if it complies with Irish regulations that require the Issuer to provide the name, address, and taxpayer identification number of, and certain other information (including its direct or indirect owners or beneficial owners) with respect to, certain Noteholders to the Irish Revenue Commissioners, which would then provide this information to the IRS. There can be no assurance that the Issuer will be able to comply with these regulations. In addition, the intergovernmental agreement could be amended to require the Issuer to withhold on "passthru" payments to certain investors that fail to provide information to the Issuer or are "foreign financial institutions" that do not comply with FATCA.

The Issuer may be prohibited from complying with FATCA if a "related entity" of the Issuer or, if applicable, any member of the same "expanded affiliated group" as the Issuer is subject to FATCA but fails to comply with FATCA. Although subject to uncertainty, the expanded affiliated group rules should not apply to the Issuer. In general, an entity will be a related entity of the Issuer if it is related to the Issuer or under common control with the Issuer, in each case through more than 50 per cent. ownership. Although subject to uncertainty, BGCF should not be treated as a related entity of the Issuer. If it were treated as a related entity of the Issuer (or, if the expanded affiliated group rules were applicable to the Issuer), however, BGCF's failure or the failure of any other related entity (or, if the expanded affiliated group rules are applicable, any member of the Issuer's expanded affiliated group) to comply with FATCA might preclude the Issuer from being treated as compliant with FATCA. Currently, each of BGCF and the other CLOs that it has sponsored is a registered deemed compliant entity under the U.S. Treasury regulations and expects to maintain such status, but in the event it fails to do so and is treated as a related entity of the Issuer (or, if applicable, a member of the Issuer's expanded affiliated group), the Issuer could be prohibited from being treated as compliant with FATCA.

If a Noteholder fails to provide the Issuer or its agents with any correct, complete and accurate information that may be required for the Issuer to comply with FATCA and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer, or if the Noteholder's ownership of any Notes would otherwise cause the Issuer to be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise distributable to the Noteholder, to compel the Noteholder to sell its Notes, and, if the Noteholder does not sell its Notes within 30 business days after notice from the Issuer, to sell the Noteholder's Notes on behalf of the Noteholder (and such sale could be for less than its then fair market value). See Condition 2(j) (Forced Transfer pursuant to FATCA). In the case of Notes held through Euroclear or Clearstream (i.e., a Note represented by a Global Certificate, rather than a Definitive Certificate), a beneficial owner of Notes will be required to provide the required information to the bank or broker through which it holds its Notes, and it is possible that the failure to provide the required information will result in withholding on

payments on the Notes or require such bank or broker to close out such owner's account and force the sale of its Notes.

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 requirements 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**") including specified transactions with 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. Among other potential effects, 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.

Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (to the extent 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, 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 interests 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 are deemed for the purposes of ERISA to include plan assets by reason of such an employee benefit plan or plan's investment in such entity or otherwise.

If the underlying assets of the Issuer were 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 or who provide advice with respect to the Issuer, could be deemed to be Plan fiduciaries or otherwise Parties in Interest 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-1 Notes, Class A-2 Notes, Class B Notes and Class C Notes offered hereby will be treated by the Issuer as indebtedness with no substantial equity features for purposes of ERISA. However, the characteristics of the Class D Notes, Class E Notes and the Subordinated Notes for purposes of the Plan Asset Regulation are less certain. The Class D Notes, Class E 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 Class D Notes, Class E Notes and the Subordinated Notes so that the 25 per cent. Limitation should be satisfied. Specifically, in reliance on representations (deemed and actual)

made by investors in Class D Notes, Class E Notes and the Subordinated Notes (and any interests therein), the Issuer intends to limit investment by Benefit Plan Investors in each of the Class D Notes, Class E Notes and the Subordinated Notes to less than 25 per cent. of the Class D Notes, Class E Notes and the Subordinated Notes (determined separately by class) at all times (excluding for purposes of such calculation the Class D Notes, Class E Notes and Subordinated Notes held by a Controlling Person). Each prospective purchaser (including a transferee) of a Class D Note, Class E Note or a Subordinated Note (or any interest therein) will be deemed to make or be required to make certain representations regarding its status as a Benefit Plan Investor or Controlling Person and other ERISA related matters as described below and under "Transfer Restrictions".

Even assuming the Class A-1 Notes, Class A-2 Notes, Class B Notes and Class C Notes are not treated as equity interests in the Issuer for purposes of ERISA, it is possible that an investment in such Notes as well as in any Class D, Class E or Subordinated Notes (or any interests therein) by a Benefit Plan Investor (or with the use of the assets of a Benefit Plan Investor) could be treated as or result in a prohibited transaction under ERISA and/or Section 4975 of the Code. Such a prohibited transaction, however, may satisfy one or more statutory or administrative exemptions. Even if an exemption were to apply, such exemption may not, however, apply to all of the transactions that could be deemed prohibited transactions in connection with an investment in the Notes by a Benefit Plan Investor.

Each of the Issuer, the Initial Purchaser, the Collateral Manager, or their respective Affiliates may be the sponsor of, or investment adviser with respect to one, or more Plans. Because such parties may receive certain benefits in connection with the sale of the Notes to such Plans, whether or not the Notes are treated as equity interests in the Issuer, the purchase of such Notes using the assets of a Plan over which any of such parties has investment authority or provide other services might be deemed to be a violation of the prohibited transaction rules of ERISA and/or Section 4975 of the Code for which no exemption may be available. Accordingly, the Notes may not be acquired using the assets of any Plan if any of the Issuer, the Initial Purchaser, the Collateral Manager or their respective Affiliates has investment authority with respect to such assets (except to the extent (if any) that a favourable statutory or administrative exemption or exception applies).

It should be noted that an insurance company's general account may be deemed to include assets of Plans under certain circumstances where a Plan purchases certain types of annuity contracts 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 the insurance company's ability to make the representations described herein 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 at 29 C.F.R. Section 2550.401c-1.

Each purchaser and transferee of a Class A Note, Class B Note or Class C 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 or will constitute 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 or is deemed to make the foregoing representations, warranties and agreements described in clause (i) hereof.

Each initial investor (other than the Initial Purchaser) in: (a) any Subordinated Notes in the form of Rule 144A Notes or (b) any Subordinated Notes in the form of Regulation S Notes, purchased on the Issue Date will be required to enter into a subscription agreement with the Initial Purchaser in which such investor will certify as to, among other matters, its status under the Securities Act, the Investment Company Act and ERISA.

Each holder of a Class D Note, Class E Note or Subordinated Note in the form of a Regulation S Global Certificate or a Rule 144A Global Certificate (or an interest therein) will be deemed to represent, warrant and agree that it is not, and will not be acting on behalf of, a Benefit Plan Investor and, other than BGCF and the Collateral Manager provided they have given an ERISA certificate substantially in the form of Annex A to this Offering Circular to the Issuer, that it is not, and is not acting on behalf of, a Controlling Person. A

governmental, church, non-U.S. or other plan will be deemed to represent that, (1) for so long as it holds such Notes or interest therein it will not be, subject to any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or 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 and (2) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Similar Law. Each holder of a Class D Note, Class E Note or a Subordinated Note will agree or be deemed to agree to certain transfer restrictions regarding its interest in such Notes.

An investor that is a Controlling Person, a Benefit Plan Investor or acting on behalf of a Controlling Person or a Benefit Plan Investor, may acquire a Class D Note, Class E Note or Subordinated Note in Definitive Certificate form (or an interest therein) regardless of whether it is a Controlling Person or a Benefit Plan Investor or acting on behalf of a Controlling Person or Benefit Plan Investor for the purposes of ERISA, if such investor: (A) obtains the written consent of the Issuer and (B) provides an ERISA certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person (substantially in the form of Annex A to this Offering Circular), provided that, each of BGCF and the Collateral Manager, provided in each case that they have given an ERISA certificate to the Issuer (substantially in the form of Annex A to this Offering Circular) may hold Class D Notes, Class E Notes or Subordinated Notes (as applicable) in the form of Regulation S Global Certificates or Rule 144A Global Certificates (or interests therein) regardless of whether they are a Controlling Person or a Benefit Plan Investor or acting on behalf of a Controlling Person or a Benefit Plan Investor. A purchaser or transferee or other holder of a Class D Note, Class E Note or Subordinated Note in the form of a Definitive Certificate or any interest in such Note will be required to (i) represent and warrant in writing to the Issuer in an ERISA certificate (1) whether or not, for so long as it holds such Notes or interest herein, it is, or is acting on behalf of, a Benefit Plan Investor or a Controlling Person and (2) that if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code. If such a purchaser or transferee is a governmental, church, non-U.S. plan or other plan, (x) it is not, and for so long as it holds such Notes or interest therein will not be, subject to Similar Law and (y) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Similar Law, and (ii) agree to certain transfer restrictions regarding its interest in such Notes.

Without limiting any other restriction applicable to holding Class D, Class E or Subordinated Notes, no purchase or transfer of Class D Notes, Class E Notes or Subordinated Notes in any form (or any interest therein) will be permitted or recognised if it would cause the 25 per cent. Limitation described above to be exceeded with respect to the Class D Notes, Class E Notes or Subordinated Notes (determined separately by class).

Any Plan fiduciary considering whether to acquire a Note or interest in 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 or any interest in a Note 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

Deutsche Bank AG, 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:

(a) Class A-1 Notes, 100.00 per cent.;

(b) Class A-2 Notes, 100.00 per cent.;

(c) Class B Notes, 99.67 per cent.;

(d) Class C Notes, 97.03 per cent.;

(e) Class D Notes, 92.48 per cent.;

(f) Class E Notes, 81.57 per cent.; and

(g) 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 has agreed to pay to BGCF a portion of its fees in respect of the Notes in a minimum amount equal to 5 per cent. of the aggregate principal amount of the Retention Notes.

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

BGCF 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 issue price.

It is a condition of the issue of the Notes of each Class that the Notes of each other Class be issued in the following principal amounts: Class A-1 Notes: €324,500,000, Class A-2 Notes: €60,500,000, Class B Notes: €42,500,000, Class C Notes: €26,250,000, Class D Notes: €33,500,000, Class E Notes: €14,000,000 and Subordinated Notes: €56,930,000.

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 Offering Circular or any other offering material in relation to the Notes in any jurisdiction where action for the purpose is required other than the application and the approval of this Offering Circular with and by the Irish Stock Exchange and the Central Bank of Ireland. No offers, sales or deliveries of any Notes, or distribution of this Offering Circular or any other offering material relating to the Notes, may be made in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer 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 who are both a QIB and a QP (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 beneficial holders who are both a QIB and a QP. The DB 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 Rule 144A Notes of each Class 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.

The Initial Purchaser has acknowledged and agreed that it will not offer, sell or deliver any Regulation S Notes to, or for the account or benefit of, any U.S. Person or U.S. Resident as part of their distribution at any time and that it will send to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Regulation S Notes a confirmation or other notice setting forth the prohibition on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, any U.S. Person or U.S. Resident.

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Notes and for the listing of the Notes of each Class on the 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 Offering Circular does not constitute an offer to any person in the United States or to any U.S. Person. Distribution of this Offering Circular to any such U.S. Person or to any person within the United States, other than in accordance with the procedures described above, is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

The Initial Purchaser has agreed to comply with the following selling restrictions:

(a) ***United Kingdom***: The Initial Purchaser, which is authorised and regulated by the Financial Conduct Authority, 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

(i) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

(b) ***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 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 (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in each Relevant Member State.

(c) ***Austria***: No prospectus has been or will be approved and/or published pursuant to the Austrian Capital Markets Act (*Kapitalmarktgesetz* (the "**KMG**") as amended). Neither this document nor any other document connected therewith constitutes a prospectus according to the KMG and neither this document nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria, save as specifically agreed with the Initial Purchaser. No document pursuant to Directive 2003/71/EC has been or will be drawn up and approved in Austria and no document pursuant to Directive 2003/71/EC has been or will be passported into Austria as the Notes will be offered in Austria in reliance on an 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.

(d) ***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.

(e) ***Finland***: For selling restrictions in respect of Finland, please see "*European Economic Area*" above.

(f) ***France***: Any person who is in possession of this Offering Circular is hereby notified that no action has or will be taken that would allow an offering of the Notes in France and neither the Offering Circular nor any offering material relating to the Notes have been submitted to the Autorité des Marchés Financiers ("**AMF**") for prior review or approval. Accordingly, the Notes may not be offered, sold, transferred or delivered and neither this Offering Circular nor any offering material relating to the Notes may be distributed or made available (in whole or in part) in France, directly or indirectly, except as permitted by French law and regulation.

The Initial Purchaser has represented and agreed that:

(i) the Notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

(ii) neither this Offering Circular nor any other offering material relating to the Notes has been or will be:

(A) released, issued, distributed or caused to be released, issued or distributed to the public in France; or

(B) used in connection with any offer for subscription or sale of the Notes to the public in France.

(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, 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.

(g) ***Germany***: The Notes will not be registered for public distribution in Germany. This Offering Circular does not constitute a sales document pursuant to the German Capital Investment Act (*Vermögensanlagengesetz*). Accordingly, the Initial Purchaser has represented and agreed that no offer of the Notes will be made to the public in Germany. This Offering Circular and any other document relating to the Notes, as well as information or statements contained therein, will not be supplied to the public in Germany or used in connection with any offer for subscription of the Notes to the public in Germany or any other means of public marketing.

(h) ***Ireland***: The Initial Purchaser has represented and agreed that:

(i) to the extent applicable, it will not underwrite the issue or placement of the Notes otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended) including, without limitation, Regulations 7 and 152 thereof or any codes of conduct issued in connection therewith, and the provisions of the Investor Compensation Act 1998 (as amended);

(ii) it will not underwrite the issue or placement of the Notes, otherwise than in conformity with the provisions of the Irish Companies Act 2014, 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; and

(iii) it will not underwrite the issue or placement of, or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 (as amended) (as replaced with effect from 3 July 2016 by the Market Abuse Regulation (EU 596/2014) and any rules issued by the Central Bank under Section 34 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 or Section 1370 of the Irish Companies Act 2014.

(i) ***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.

(j) ***Netherlands***: The Initial Purchaser has represented and agreed that it will not make an offer of the Notes which are the subject of the offering contemplated by this Offering Circular to the public in The Netherlands in reliance on Article 3(2) of the Prospectus Directive, unless such offer is made exclusively to legal entities which are qualified investors (as defined in the Financial Markets Supervisions Act (*Wet* op *het financieel toezicht*) and which includes authorised discretionary asset managers acting for the account of retail investors under a discretionary investment management

contract) in The Netherlands, provided that no such offer of Notes shall require the Issuer or the Initial Purchaser to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expressions (i) an "offer of Notes to the public" in relation to any Notes in The Netherlands; and (ii) "Prospectus Directive", have the meaning given to them above in the section entitled "European Economic Area".

(k) ***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 "**Norway 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 Norway Relevant Implementation Date, make an offer of the Notes to the public in Norway 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 Norway 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 relevant dealer or dealers nominated by the Issuer for any such offer; 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(2) of the Prospectus Directive.

For the purposes of this provision, the expressions (i) an "offer of Notes to the public" in relation to any Notes in The Netherlands; and (ii) "Prospectus Directive", have the meaning given to them above in the section entitled "European Economic Area".

(l) ***Spain***: Neither the Notes nor the Offering Circular have been approved or registered with the Spanish Notes Markets Commission (Comision Nacional Del Mercado De Valores). Accordingly, the Initial Purchaser stances 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.

(m) ***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 not 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*).

(n) ***Switzerland***: This Offering Circular is not intended to constitute an offer or solicitation to purchase or invest in the Notes described herein. The Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Offering Circular nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland or a simplified prospectus or a prospectus as such term is defined in the Swiss Collective Investment Scheme Act, and neither this Offering Circular nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Offering Circular nor any other offering or marketing material relating to the offering, nor the Issuer nor the Notes have been or will be filed with or approved by any Swiss regulatory authority. The Notes are not subject to the supervision by any Swiss regulatory authority, e.g., the Swiss Financial Markets Supervisory Authority FINMA, and investors in the Notes will not benefit from protection or supervision by such authority.

TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Notes.

The Notes have not been registered under the Securities Act or any state securities or "Blue Sky" laws or the securities laws of any other jurisdiction and, accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described herein and set forth in the Trust Deed.

Without limiting the foregoing, by holding a Note, you will acknowledge and agree, among other things, that you understand that the Issuer is not registered as an investment company under the Investment Company Act, and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act and Rule 3a-7; provided that the Issuer or the Collateral Manager (on behalf of the Issuer) may elect (by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*)) to rely solely on the exemption from the Investment Company Act provided by Section 3(c)(7) and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7 following receipt by the Issuer or the Collateral Manager (on behalf of the Issuer) of a legal opinion (which shall be addressed to the Trustee) from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule and, for so long as any of the Class A-1 Notes remain Outstanding, the holders of the Class A-1 Notes, acting by way of an Ordinary Resolution, have consented thereto. Section 3(c)(7) excepts from the provisions of the Investment Company Act those issuers who privately place their securities solely to, and whose securities are held solely by, persons who at the time of purchase are "qualified purchasers" or entities owned exclusively by "qualified purchasers". In general terms, qualified purchaser includes any natural person who owns not less than U.S.$5,000,000 in investments; any person who in the aggregate owns and invests on a discretionary basis, not less than U.S.$25,000,000 in investments; and trusts as to which both the settlor and the decision–making trustee are qualified purchasers (but only if such trust was not formed for the specific purpose of making such investment).

Rule 144A Notes

Each prospective purchaser of Rule 144A Notes, by accepting delivery of this Offering Circular, will be deemed to have represented and agreed that such person acknowledges that this Offering Circular is personal to it and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Notes other than pursuant to Rule 144A or in offshore transactions in accordance with Regulation S. Distribution of this Offering Circular, or disclosure of any of its contents to any person other than such offeree and those persons, if any, retained to advise it with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

Each purchaser of Notes represented by a Rule 144A Global Certificate will be deemed to have represented and agreed and transferees of Notes represented by Definitive Certificates will be required to represent and agree, as follows:

1 The purchaser (a) is a QIB, (b) is aware that the sale of such Rule 144A Notes to it is being made in reliance on Rule 144A, (c) is acquiring such Notes for its own account or for the account of a QIB as to which the purchaser exercises sole investment discretion, and in a principal amount of not less than €250,000 for the purchaser and for each such account and (d) will provide notice of the transfer restrictions described 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 interests therein may be reoffered, resold or pledged only (a)(i) to a person whom the purchaser reasonably believes is a QIB purchasing for its own account or for the account of a QIB as to which the purchaser exercises sole investment discretion in a transaction meeting the requirements of Rule 144A or (ii) to a non-U.S. Person in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S and (b) in accordance with all applicable securities laws including the securities laws of any state of the United States. The purchaser understands that the Issuer has not been registered under the Investment Company Act and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act and Rule 3a-7; provided that the Issuer or the Collateral Manager (on behalf of the Issuer) may elect (by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*))

to rely solely on the exemption from the Investment Company Act provided by Section 3(c)(7) and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7 following receipt by the Issuer or the Collateral Manager (on behalf of the Issuer) of a legal opinion (which shall be addressed to the Trustee) from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule and, for so long as any of the Class A-1 Notes remain Outstanding, the holders of the Class A-1 Notes, acting by way of an Ordinary Resolution, have consented thereto. The purchaser understands that before any interest in a Rule 144A Note may be offered, sold or pledged 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 Initial Purchaser, the Trustee, the Collateral Manager or the Collateral Administrator is acting as a fiduciary or financial adviser for the purchaser; (b) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager or the Collateral Administrator other than in this Offering Circular for such Notes and any representations expressly set forth in a written agreement with such party; (c) none of the Issuer, the Initial Purchaser, the Trustee, the 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 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 April 30, 1996, the purchaser has received the necessary consent from its beneficial owners; (c) is not a pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made; and (d) is not a broker dealer that owns and invests on a discretionary basis less than U.S. $25,000,000 in securities of unaffiliated issuers. 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 or Class C 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, and (ii) it will not sell or transfer such Notes (or interests therein) to an acquiror acquiring such Notes (or interests therein) unless the acquiror makes or is deemed to make the foregoing representations, warranties and agreements described in clause (i) hereof. Any purported transfer of the Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the acquiror understands that the Issuer will have the right to cause the sale of such Notes to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(b)

(i) With respect to interests in the Class D Notes, Class E Notes and Subordinated Notes in the form of a Rule 144A Global Certificate (or interest therein): it is not, and is not acting on behalf of, a Benefit Plan Investor or, other than BGCF and the Collateral Manager provided they have given an ERISA certificate (substantially in the form of Annex A to this Offering Circular) to the Issuer, that it is not, and is not acting on behalf of, a Controlling Person and, 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 any Similar 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.

(ii) With respect to acquiring or holding a Class D Note, Class E Note or Subordinated Note in the form of a Definitive Certificate (i) (A) it will represent in an ERISA Certificate (substantially in the form provided in Annex A to this Offering Circular) whether or not, for so long as it holds such Class D Note, Class E Note or Subordinated Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (B) it will represent in an ERISA certificate (substantially in the form provided in Annex A to this Offering Circular) whether or not, for so long as it holds such Class D Note, Class E Note or Subordinated Note or interest therein, it is, or is acting on behalf, of a Controlling Person and (C) that (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Class D Note, Class E 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 (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 D Note, Class E Note or Subordinated Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Class D Note, Class E Note or Subordinated Note will not constitute or result in a non-exempt violation of any Similar Law, and (ii) that it will agree to certain transfer restrictions regarding its interest in such Class D Note, Class E Note or Subordinated Note. Any purported purchase or transfer of the Class D Note, Class E Notes or Subordinated Notes in violation of the requirements set forth in this paragraph or without the written consent of the Issuer shall be null and void *ab initio* and the acquiror understands that the Issuer's consent is required for any

acquisition and that the Issuer will have the right to prevent the acquisition of a Note or may cause the sale of a Class D Note, Class E Note or Subordinated Note to another acquiror that complies with the requirements of this paragraph, in accordance with the terms of the Trust Deed.

(c) The purchaser acknowledges that the Issuer, 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**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD OR PLEDGED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S OF THE SECURITIES ACT (AS AMENDED) AND, IN THE CASE OF CLAUSE (A)(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 APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S. $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (A)(2), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED NOTEHOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE COLLATERAL ADMINISTRATOR.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B NOTES AND CLASS C 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'S OR PLAN'S INVESTMENT IN SUCH ENTITY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS 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 AN ACQUIROR ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH 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 D NOTES, CLASS E NOTES AND THE SUBORDINATED NOTES IN THE FORM OF RULE 144A GLOBAL CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE (OR ANY INTEREST THEREIN) WILL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT THAT (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR (OTHER THAN BGCF AND THE COLLATERAL MANAGER PROVIDED THEY HAVE GIVEN AN ERISA CERTIFICATE TO THE ISSUER) A CONTROLLING PERSON AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE 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 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**") ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY SIMILAR LAW. "BENEFIT PLAN INVESTOR" MEANS A BENEFIT

PLAN INVESTOR, AS DEFINED FOR THE PURPOSES OF 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA ("**PLAN ASSET REGULATION**"), 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 THIS CLASS D NOTE, THIS CLASS E NOTE OR THIS SUBORDINATED NOTE (OR ANY INTEREST THEREIN) 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 D NOTES, CLASS E NOTES OR SUBORDINATED NOTES OR INTEREST THEREIN 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 D NOTE, CLASS E 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 D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS, AS DETERMINED PURSUANT TO THE PLAN ASSET REGULATION ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON OR SIMILAR LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS D NOTES, CLASS E NOTES OR SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE (OR ANY INTEREST THEREIN) WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER IN AN ERISA CERTIFICATE (A) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (B) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A CONTROLLING PERSON AND (C) THAT (1) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") AND (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 NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD

CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE 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 ("**SIMILAR LAW**"), AND (b) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY SIMILAR LAW. EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF THIS CLASS D NOTE, CLASS E 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 FOR THE PURPOSES OF 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA ("**PLAN ASSET REGULATION**") AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "CONTROLLING PERSON" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "AFFILIATE" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "CONTROL" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT ACQUISITION IS SUBJECT TO THE ISSUER'S CONSENT AND THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE 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 D NOTE, CLASS E NOTE OR SUBORDINATED NOTE, IN ANY FORM, 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 D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS, AS DETERMINED PURSUANT TO THE PLAN ASSET REGULATION ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON OR SIMILAR LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE CLASS D NOTE, CLASS E 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 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-UPWITHHOLDING FROM PAYMENTS IN RESPECT OF SUCH NOTE.

EACH HOLDER OF A NOTE (OR ANY INTEREST THEREIN) INCLUDING ANY TRANSFEREE WILL PROVIDE THE ISSUER, THE TRUSTEE OR THEIR RESPECTIVE AGENTS WITH ANY CORRECT, COMPLETE AND ACCURATE INFORMATION THAT MAY BE REQUIRED FOR THE ISSUER TO COMPLY WITH FATCA 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 WITHIN 10 BUSINESS DAYS 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 AND EXPENSES 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 ISIN OR ISINS 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 OFFERING CIRCULAR FOR ALL U.S. FEDERAL INCOME TAX PURPOSES AND TO TAKE NO ACTION INCONSISTENT WITH SUCH TREATMENT UNLESS REQUIRED BY LAW.

NOTWITHSTANDING ANYTHING IN THE OFFERING CIRCULAR TO THE CONTRARY, EACH PROSPECTIVE INVESTOR (AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF EACH PROSPECTIVE INVESTOR) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE TAX TREATMENT AND TAX STRUCTURE OF AN INVESTMENT IN THE NOTES AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER TAX ANALYSES) THAT ARE PROVIDED TO THE PROSPECTIVE INVESTOR RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE. FOR THESE PURPOSES, THE TAX TREATMENT OF AN INVESTMENT IN THE NOTES MEANS THE PURPORTED OR CLAIMED U.S. FEDERAL INCOME TAX TREATMENT OF AN INVESTMENT IN THE NOTES. IN ADDITION, THE TAX STRUCTURE OF AN INVESTMENT IN THE NOTES INCLUDES ANY FACT THAT MAY BE RELEVANT TO UNDERSTANDING THE PURPORTED OR CLAIMED U.S. FEDERAL INCOME TAX TREATMENT OF AN INVESTMENT IN THE NOTES.

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 B NOTES, THE CLASS C NOTES, THE CLASS D NOTES AND THE CLASS E 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 3RD FLOOR, EUROPA HOUSE, HARCOURT CENTRE, HARCOURT STREET, DUBLIN 2, IRELAND.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B NOTES AND CLASS C NOTES IN THE FORM OF CM NON-VOTING NOTES OR CM EXCHANGEABLE NON-VOTING NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL NOT CARRY ANY RIGHT TO VOTE IN RESPECT OF, OR BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A CM REMOVAL RESOLUTION AND/OR A CM REPLACEMENT RESOLUTION.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B NOTES AND CLASS C NOTES IN THE FORM OF CM VOTING NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL CARRY A RIGHT TO VOTE IN RESPECT OF, AND BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A CM REMOVAL RESOLUTION AND/OR A CM REPLACEMENT RESOLUTION.]

8 The purchaser will not, at any time, offer to buy or offer to sell the Notes by any form of general solicitation or advertising, including, but not limited to, any advertisement, article, notice or other communication published in any newspaper, magazine or similar medium or broadcast over television or radio or seminar or meeting whose attendees have been invited by general solicitations or advertising.

9 Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

10 Each holder of a Note (or any interest therein) including any transferee will provide the Issuer or its agents with any correct, complete and accurate information that may be required for the Issuer to comply with FATCA 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 within 10 Business Days 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 and expenses 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 ISIN or ISINs 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—Certain U.S. Federal Income Taxation Considerations" section of the Offering Circular for all U.S. federal 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 No purchase or transfer of a Class D Note, Class E Note or Subordinated Note in the form of a Definitive Certificate will be recorded or otherwise recognised unless the purchaser or transferee has provided the Issuer with a certificate substantially in the form of Annex A hereto.

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 or Non-Permitted FATCA 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 or Non-Permitted FATCA Noteholder.

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

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 (15) (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 not a U.S. Person.

2 The purchaser understands that the Notes have not been and will not be registered under the Securities Act and that the Issuer has not registered and will not register under the Investment Company Act and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act and Rule 3a-7; provided that the Issuer or the Collateral Manager (on behalf of the Issuer) may elect (by written notice to the Trustee, the Collateral Administrator and the Noteholders (in accordance with Condition 16 (*Notices*)) to rely solely on the exemption from the Investment Company Act provided by Section 3(c)(7) and no longer rely on the exclusion from the Investment Company Act provided by Rule 3a-7 following receipt by the Issuer or the Collateral Manager (on behalf of the Issuer) of a legal opinion (which shall be addressed to the Trustee) from reputable international legal counsel knowledgeable in such matters to the effect that to do so would not result in the Issuer being construed as a "covered fund" in relation to any holder of Outstanding Notes for the purposes of the Volcker Rule and, for so long as any of the Class A-1 Notes remain Outstanding, the holders of the Class A-1 Notes, acting by way of an Ordinary Resolution, have consented thereto. It agrees, for the benefit of the Issuer, the Initial Purchaser and any of their Affiliates, that, if it decides to resell or pledge 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**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD OR PLEDGED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S OF THE SECURITIES ACT (AS AMENDED) AND, IN THE CASE OF CLAUSE (A)(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 APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S. $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (A)(2), IN A PRINCIPAL AMOUNT NOT LESS THAN €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED NOTEHOLDERS (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-1 NOTES, CLASS A-2 NOTES, CLASS B NOTES AND CLASS C 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'S OR PLAN'S INVESTMENT IN SUCH ENTITY WITHIN THE MEANING OF 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS 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 AN ACQUIROR ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS,

WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH 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 D NOTES, CLASS E NOTES AND SUBORDINATED NOTES IN THE FORM OF REGULATION S GLOBAL CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE (OR ANY INTEREST THEREIN) WILL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT THAT (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR (OTHER THAN BGCF AND THE COLLATERAL MANAGER PROVIDED THEY HAVE GIVEN AN ERISA CERTIFICATE TO THE ISSUER) A CONTROLLING PERSON AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE 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 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**") ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY SIMILAR LAW. "BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED FOR THE PURPOSES OF 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA ("**PLAN ASSET REGULATION**"), 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 THIS CLASS D NOTE, CLASS E NOTE OR THE SUBORDINATED NOTE (OR ANY INTEREST THEREIN) 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 D NOTE, CLASS E NOTE OR SUBORDINATED NOTE OR INTEREST THEREIN 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 D NOTE, CLASS E 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 D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN)

HELD BY CONTROLLING PERSONS, AS DETERMINED PURSUANT TO THE PLAN ASSET REGULATION ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON OR SIMILAR LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS D NOTES, CLASS E NOTES AND SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE (OR ANY INTEREST THEREIN) WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER IN AN ERISA CERTIFICATE (A) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS CLASS D NOTE, CLASS E 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 D NOTE, CLASS E 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, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS CLASS D NOTE, CLASS E 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 (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 D NOTE, CLASS E 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 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 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**"), AND (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY SIMILAR LAW. EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE (IN DEFINITIVE FORM) 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 FOR THE PURPOSES OF 29 C.F.R. SECTION 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA ("**PLAN ASSET REGULATION**"), AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "CONTROLLING PERSON" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "AFFILIATE" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "CONTROL" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE

MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE (OR ANY INTEREST THEREIN) IN VIOLATION OF THE REQUIREMENTS SET FORTH OR REPRESENTATIONS DESCRIBED, 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 THIS CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE (OR INTEREST THEREIN) 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 D NOTE, CLASS E 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 D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (DETERMINED SEPEARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS D NOTES, CLASS E NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS, AS DETERMINED PURSUANT TO THE PLAN ASSET REGULATION ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A CLASS D NOTE, CLASS E NOTE OR SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON OR SIMILAR LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE CLASS D NOTE, CLASS E 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 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.

EACH HOLDER OF A NOTE (OR ANY INTEREST THEREIN) INCLUDING ANY TRANSFEREE WILL PROVIDE THE ISSUER OR ITS AGENTS WITH ANY CORRECT, COMPLETE AND ACCURATE INFORMATION THAT MAY BE REQUIRED FOR THE ISSUER TO COMPLY WITH FATCA 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 WITHIN 10 BUSINESS DAYS 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 AND EXPENSES 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 ISIN OR ISINS 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 OFFERING CIRCULAR FOR ALL U.S. FEDERAL INCOME TAX PURPOSES AND TO TAKE NO ACTION INCONSISTENT WITH SUCH TREATMENT UNLESS REQUIRED BY LAW.

NOTWITHSTANDING ANYTHING IN THE OFFERING CIRCULAR TO THE CONTRARY, EACH PROSPECTIVE INVESTOR (AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF EACH PROSPECTIVE INVESTOR) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE TAX TREATMENT AND TAX STRUCTURE OF AN INVESTMENT IN THE NOTES AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER TAX ANALYSES) THAT ARE PROVIDED TO THE PROSPECTIVE INVESTOR RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE. FOR THESE PURPOSES, THE TAX TREATMENT OF AN INVESTMENT IN THE NOTES MEANS THE PURPORTED OR CLAIMED U.S. FEDERAL INCOME TAX TREATMENT OF AN INVESTMENT IN THE NOTES. IN ADDITION, THE TAX STRUCTURE OF AN INVESTMENT IN THE NOTES INCLUDES ANY FACT THAT MAY BE RELEVANT TO UNDERSTANDING THE PURPORTED OR CLAIMED U.S. FEDERAL INCOME TAX TREATMENT OF AN INVESTMENT IN THE NOTES.

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 B NOTES, THE CLASS C NOTES, THE CLASS D NOTES AND THE CLASS E 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 3RD FLOOR, EUROPA HOUSE, HARCOURT CENTRE, HARCOURT STREET, DUBLIN 2, IRELAND.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B NOTES AND CLASS C NOTES IN THE FORM OF CM NON-VOTING NOTES OR CM EXCHANGEABLE NON-VOTING NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL NOT CARRY ANY RIGHT TO VOTE IN RESPECT OF, OR BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A CM REMOVAL RESOLUTION AND/OR A CM REPLACEMENT RESOLUTION.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A-1 NOTES, CLASS A-2 NOTES, CLASS B NOTES AND CLASS C NOTES IN THE FORM OF CM VOTING NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL CARRY A RIGHT TO VOTE IN RESPECT OF, AND BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON A CM REMOVAL RESOLUTION AND/OR A CM REPLACEMENT RESOLUTION.]

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

5 The purchaser acknowledges that the Issuer, 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 in global form are as follows:

	Regulation S Notes		Rule 144A Notes	
	ISIN	Common Code	ISIN	Common Code
Class A-1 CM Voting Notes	XS1401788705	140178870	XS1401833188	140183318
Class A-1 CM Non-Voting Notes	XS1401791832	140179183	XS1401834079	140183407
Class A-1 CM Exchangeable Non-Voting Notes	XS1401791089	140179108	XS1401833345	140183334
Class A-2 CM Voting Notes	XS1401795668	140179566	XS1401834400	140183440
Class A-2 CM Non-Voting Notes	XS1401796559	140179655	XS1401834665	140183466
Class A-2 CM Exchangeable Non-Voting Notes	XS1401796047	140179604	XS1401834582	140183458
Class B CM Voting Notes	XS1401800682	140180068	XS1401836108	140183610
Class B CM Non-Voting Notes	XS1401801573	140180157	XS1401838575	140183857
Class B CM Exchangeable Non-Voting Notes	XS1401800922	140180092	XS1401837924	140183792
Class C CM Voting Notes	XS1401801813	140180181	XS1401841447	140184144
Class C CM Non-Voting Notes	XS1401805566	140180556	XS1401842098	140184209
Class C CM Exchangeable Non-Voting Notes	XS1401804593	140180459	XS1401841876	140184187
Class D Notes	XS1401806291	140180629	XS1401842254	140184225
Class E Notes	XS1401806614	140180661	XS1401842338	140184233
Subordinated Notes	XS1401806960	140180696	XS1401842502	140184250

Listing

This Offering Circular has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive. The Central Bank of Ireland 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 for the Notes to be admitted to the Official List and trading on its regulated 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 Offering Circular comprises a "prospectus" for the purposes of the Prospectus Directive.

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 €10,000.

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Ireland (if any) in connection with the issue of and performance of its obligations under the Notes. The issue of the Notes was authorised by resolutions of the board of Directors of the Issuer passed on 13 May 2016.

No Significant or Material Change

There has been no significant change in the financial or trading position or prospects of the Issuer since its incorporation on 11 January 2016 and there has been no material adverse change in the financial position or prospects of the Issuer since its incorporation on 11 January 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 or profitability.

Accounts

Since the date of its incorporation, other than entering into binding commitments to purchase certain Issue Date BGCF Assets from BGCF, the Issuer has not carried on any business or activities other than those incidental to its incorporation and the issue of the Notes and has not produced accounts.

So long as any Note remains outstanding, copies of the most recent annual audited financial statements of the Issuer can be obtained at the specified offices of the Issuer during normal business hours. The first financial statements of the Issuer will be in respect of the period from its incorporation to 31 December 2016. The annual accounts of the Issuer will be audited. The Issuer will not prepare interim financial statements.

The Trust Deed will require 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 Listing 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 (h) and (i) below, will be available for collection free of charge) at the registered office of the Issuer during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for so long as the Notes of any Class remain Outstanding.

(a) the Constitution of the Issuer;

(b) the Subscription Agreement;

(c) the Trust Deed (which includes the form of each Note of each Class);

(d) the Agency and Account Bank Agreement;

(e) the Collateral Management and Administration Agreement;

(f) the Retention Undertaking Letter;

(g) the Corporate Services Agreement;

(h) each Monthly Report; and

(i) each Payment Date Report.

Post Issuance Reporting

The Issuer will provide post-issuance transaction information in relation to the issue of the Notes.

Enforceability of Judgments

The Issuer is a designated activity company incorporated under the laws of Ireland. None of the Directors and officers of the Issuer are residents of the United States, and all or a substantial portion of the assets of the Issuer and such persons 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 is not a party to a convention with Ireland in respect of the enforcement of judgments, common law rules apply in order to determine whether a judgment of the United States courts is enforceable in Ireland. A judgment of the United States courts will be enforced by the courts of Ireland if the following general requirements are satisfied:

(i) the United States courts must have had jurisdiction in relation to the particular defendant according to Irish conflict of law rules (the submission to jurisdiction by the defendant would satisfy this rule); and

(ii) the judgment must be final and conclusive and the decree must be final and unalterable in the court which pronounces it. A judgment can be final and conclusive even if it is subject to appeal or even if an appeal is pending. Where, however, the effect of lodging an appeal under the applicable law is to stay execution of the judgment, it is possible that, in the meantime, the judgment should not be actionable in Ireland. It remains to be determined whether final judgment given in default of appearance is final and conclusive.

However, the Irish courts may refuse to enforce a judgment of the United States courts which meets the above requirements for one of the following reasons:

(a) if the judgment is not for a definite sum of money;

(b) if the judgment was obtained by fraud;

(c) the enforcement of the judgment in Ireland would be contrary to natural or constitutional justice;

(d) the judgment is contrary to Irish public policy or involves certain United States laws which will not be enforced in Ireland; or

(e) jurisdiction cannot be obtained by the Irish courts over the judgment debtors in the enforcement proceedings by personal service in Ireland or outside Ireland under Order 11 of the Superior Courts Rules.

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 D Notes, Class E Notes and the Subordinated Notes (determined separately by class) issued by Elm Park CLO Designated Activity Company (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) obtain from you certain representations and agreements and (iii) provide you with certain related information with respect to the limitations on your acquisition, holding and disposition of the Class D Notes, Class E Notes and the 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 and we and any such entity are not described in Question 3 below.

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 D Notes, Class E Notes and the 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 D Notes, Class E 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" (and will therefore be in whole or in part a Benefit Plan Investor) 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" of a Benefit Plan Investor 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 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 D Notes, Class E Notes or the Subordinated Notes do not and will not constitute or give rise to a non-exempt prohibited transaction under section 406 of ERISA or Section 4975 of the Code.

6 Not Subject to Similar Law and No Violation of 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 D Notes, Class E 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.

7 □ 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 7 is referred to in this Certificate as a "Controlling Person."

Note: We understand that, for purposes of determining whether Benefit Plan Investors hold less than 25 per cent. of the value of the Class D Notes, Class E Notes or the Subordinated Notes (determined separately by class), the Class D Notes, Class E Notes or the Subordinated Notes held by Controlling Persons (other than Benefit Plan Investors) are required to be disregarded.

Compelled Disposition. We acknowledge and agree that:

(i) if any representation that we made hereunder is or 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 not consent to our acquisition of any Class D Notes, Class E Notes or Subordinated Notes (or interest in such Notes) and, if applicable, 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 D Notes, Class E Notes or Subordinated Notes, the Issuer shall have the right, without further notice to us, to sell our Class D Notes, Class E Notes or Subordinated Notes or our interest in the Class D Notes, Class E Notes or the 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 D Notes, Class E Notes or the 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 D Notes, Class E Notes or the Subordinated Notes, we agree to such limitations and 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 D Notes, Class E Notes or the Subordinated Notes (or interest therein) 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.

8. Continuing Representation; Reliance. We acknowledge and agree that the representations contained in this Certificate shall be deemed made on each day from the date we make such representations through and including the date on which we dispose of our interests in the Class D Notes, Class E Notes or the 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 D Notes, Class E Notes or the Subordinated Notes (determined separately by class) upon any subsequent transfer of the Class D Notes, Class E Notes or the Subordinated Notes in accordance with the Trust Deed.

9. Further Acknowledgement and Agreement. We acknowledge and agree that (i) all of the assurances contained in this Certificate are for the benefit of the Issuer, the Trustee, Deutsche Bank AG, London Branch 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, Deutsche Bank AG, London Branch, 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 D Notes, Class E Notes or the Subordinated Notes by us that is not in accordance with the provisions of this Certificate shall be null and void from the beginning, and of no legal effect.

10. Future Transfer Requirements.

Transferee Letter and its Delivery. We acknowledge and agree that (A) a transferee of a Class D Note, Class E Note or a Subordinated Note (or any interest therein) from us will be deemed to represent (among other things) that it is not a Benefit Plan Investor or a Controlling Person and (B) if such a transferee holds such a Note in the form of a Definitive Certificate it may acquire such Class D Note, Class E Note or Subordinated Note if such transferee: (i) obtains the written consent of the Issuer; and (ii) provides an ERISA certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person. Notwithstanding the foregoing, BGCF or the Collateral Manager, provided in each case that they have given an ERISA certificate to the Issuer, may hold Class D Notes, Class E Notes or Subordinated Notes in the form of Definitive Certificates, Regulation S Global Certificates or Rule 144A Global Certificates.

Note: Unless you are notified otherwise, the name and address of the Issuer is as follows:
Elm Park CLO Designated Activity Company, 3rd Floor, Europa House, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.

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 [Class D Notes] / [Class E Notes] / [Subordinated Notes]

ANNEX B
S&P RECOVERY RATES

(a) (i) If a Collateral Obligation has an S&P Recovery Rating, or is *pari passu* with another obligation of the same Obligor that has an S&P Recovery Rating and is secured by the same collateral as such other obligation, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows:

S&P Recovery Rating of Collateral Obligation		**Initial Rated Note Rating**					
	Range from published reports	"AAA"	"AA"	"A"	"BBB"	"BB"	"B/CCC"
1+	100	75%	85%	88%	90%	92%	95%
1	90-100	65%	75%	80%	85%	90%	95%
2	80-90	60%	70%	75%	81%	86%	90%
2	70-80	50%	60%	66%	73%	79%	80%
3	60-70	40%	50%	56%	63%	67%	70%
3	50-60	30%	40%	46%	53%	59%	60%
4	40-50	27%	35%	42%	46%	48%	50%
4	30-40	20%	26%	33%	39%	40%	40%
5	20-30	15%	20%	24%	26%	28%	30%
5	10-20	5%	10%	15%	20%	20%	20%
6	0-10	2%	4%	6%	8%	10%	10%

S&P Recovery Rate

* If a recovery range is not available for a given obligation with an S&P Recovery Rating of "2" through "5" (inclusive), the lower recovery range for the applicable S&P Recovery Rating shall apply.

(ii) If (x) a Collateral Obligation does not have an S&P Recovery Rating and such Collateral Obligation is an Unsecured Senior Obligation or a Second Lien Loan and (y) the Obligor or issuer of such Collateral Obligation has issued another debt instrument that is outstanding and senior to such Collateral Obligation that is a Secured Senior Loan or Secured Senior Bond (a "**Senior Secured Debt Instrument**") that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows:

For Obligors Domiciled in Group A

S&P Recovery Rating of the Senior Secured Debt Instrument		**Initial Rated Note Rating**				
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	18%	20%	23%	26%	29%	31%
1	18%	20%	23%	26%	29%	31%
2	18%	20%	23%	26%	29%	31%
3	12%	15%	18%	21%	22%	23%
4	5%	8%	11%	13%	14%	15%
5	2%	4%	6%	8%	9%	10%
6	0%	0%	0%	0%	0%	0%

S&P Recovery Rate

For Obligors Domiciled in Group B

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Rated Note Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	16%	18%	21%	24%	27%	29%
1	16%	18%	21%	24%	27%	29%
2	16%	18%	21%	24%	27%	29%
3	10%	13%	15%	18%	19%	20%
4	5%	5%	5%	5%	5%	5%
5	2%	2%	2%	2%	2%	2%
6	0%	0%	0%	0%	0%	0%

S&P Recovery Rate

For Obligors Domiciled in Group C

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Rated Note Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	13%	16%	18%	21%	23%	25%
1	13%	16%	18%	21%	23%	25%
2	13%	16%	18%	21%	23%	25%
3	8%	11%	13%	15%	16%	17%
4	5%	5%	5%	5%	5%	5%
5	2%	2%	2%	2%	2%	2%
6	0%	0%	0%	0%	0%	0%

S&P Recovery Rate

(iii) If (x) a Collateral Obligation does not have an S&P Recovery Rating and such Collateral Obligation is not a Secured Senior Loan, a Second Lien Loan or an Unsecured Senior Obligation and (y) the Obligor or issuer of such Collateral Obligation has issued another debt instrument that is outstanding and senior to such Collateral Obligation that is a Senior Secured Debt Instrument that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows:

For Obligors Domiciled in Groups A, B and C

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Rated Note Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	8%	8%	8%	8%	8%	8%
1	8%	8%	8%	8%	8%	8%
2	8%	8%	8%	8%	8%	8%
3	5%	5%	5%	5%	5%	5%
4	2%	2%	2%	2%	2%	2%

5	0%	0%	0%	0%	0%	0%
6	0%	0%	0%	0%	0%	0%

S&P Recovery Rate

(b) If an S&P Recovery Rate cannot be determined using clause (a) above, the S&P Recovery Rate shall be determined as follows:

Recovery rates for Obligors Domiciled in Group A, B, C or D:

Priority Category	**Initial Rated Note Rating**					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and "CCC"
Secured Senior Loans (excluding Cov-Lite Loans)						
Group A	50%	55%	59%	63%	75%	79%
Group B	45%	49%	53%	58%	70%	74%
Group C	39%	42%	46%	49%	60%	63%
Group D	17%	19%	27%	29%	31%	34%
Secured Senior Loans that are Cov-Lite Loans and Secured Senior Bonds						
Group A	41%	46%	49%	53%	63%	67%
Group B	37%	41%	44%	49%	59%	62%
Group C	32%	35%	39%	41%	50%	53%
Group D	17%	19%	27%	29%	31%	34%
Unsecured Senior Obligations, Mezzanine Obligations, Second Lien Loans and High Yield Bonds (if unsubordinated)						
Group A	18%	20%	23%	26%	29%	31%
Group B	16%	18%	21%	24%	27%	29%
Group C	13%	16%	18%	21%	23%	25%
Group D	10%	12%	14%	16%	18%	20%
High Yield Bonds (if subordinated)						
Group A	8%	8%	8%	8%	8%	8%
Group B	10%	10%	10%	10%	10%	10%
Group C	9%	9%	9%	9%	9%	9%
Group D	5%	5%	5%	5%	5%	5%

S&P Recovery Rate

Group A: Australia, Denmark, Finland, Hong Kong, Ireland, The Netherlands, New Zealand, Norway, Singapore, Sweden, UK.

Group B: Austria, Belgium, Canada, Germany, Israel, Japan, Luxembourg, Portugal, South Africa, Switzerland, U.S.

Group C: Brazil, France, Greece, Italy, Mexico, South Korea, Spain, Taiwan, Turkey, United Arab Emirates.

Group D: Argentina, Chile, Kazakhstan, Russia, Ukraine, others.

For the purposes of the above:

"**S&P Recovery Rating**" means, with respect to a Collateral Obligation for which an S&P Recovery Rate is being determined, the "Recovery Rating" assigned by S&P to such Collateral Obligation based upon the tables set forth in this Annex B.

ANNEX C
S&P REGIONAL DIVERSITY MEASURE TABLE

Region Code	Region Name	Country Code	Country Name
17	Africa: Eastern	253	Djibouti
17	Africa: Eastern	291	Eritrea
17	Africa: Eastern	251	Ethiopia
17	Africa: Eastern	254	Kenya
17	Africa: Eastern	252	Somalia
17	Africa: Eastern	249	Sudan
12	Africa: Southern	247	Ascension
12	Africa: Southern	267	Botswana
12	Africa: Southern	266	Lesotho
12	Africa: Southern	230	Mauritius
12	Africa: Southern	264	Namibia
12	Africa: Southern	248	Seychelles
12	Africa: Southern	27	South Africa
12	Africa: Southern	290	St. Helena
12	Africa: Southern	268	Swaziland
13	Africa: Sub-Saharan	244	Angola
13	Africa: Sub-Saharan	226	Burkina Faso
13	Africa: Sub-Saharan	257	Burundi
13	Africa: Sub-Saharan	225	Cote d'lvoire
13	Africa: Sub-Saharan	240	Equatorial Guinea
13	Africa: Sub-Saharan	241	Gabonese Republic
13	Africa: Sub-Saharan	220	Gambia
13	Africa: Sub-Saharan	233	Ghana
13	Africa: Sub-Saharan	224	Guinea
13	Africa: Sub-Saharan	245	Guinea-Bissau
13	Africa: Sub-Saharan	231	Liberia
13	Africa: Sub-Saharan	261	Madagascar
13	Africa: Sub-Saharan	265	Malawi
13	Africa: Sub-Saharan	223	Mali
13	Africa: Sub-Saharan	222	Mauritania
13	Africa: Sub-Saharan	258	Mozambique
13	Africa: Sub-Saharan	227	Niger
13	Africa: Sub-Saharan	234	Nigeria
13	Africa: Sub-Saharan	250	Rwanda
13	Africa: Sub-Saharan	239	Sao Tome & Principe
13	Africa: Sub-Saharan	221	Senegal
13	Africa: Sub-Saharan	232	Sierra Leone
13	Africa: Sub-Saharan	255	Tanzania/Zanzibar
13	Africa: Sub-Saharan	228	Togo
13	Africa: Sub-Saharan	256	Uganda
13	Africa: Sub-Saharan	260	Zambia
13	Africa: Sub-Saharan	263	Zimbabwe
13	Africa: Sub-Saharan	229	Benin

Region Code	Region Name	Country Code	Country Name
13	Africa: Sub-Saharan	237	Cameroon
13	Africa: Sub-Saharan	238	Cape Verde Islands
13	Africa: Sub-Saharan	236	Central African Republic
13	Africa: Sub-Saharan	235	Chad
13	Africa: Sub-Saharan	269	Comoros
13	Africa: Sub-Saharan	242	Congo-Brazzaville
13	Africa: Sub-Saharan	243	Congo-Kinshasa
3	Americas: Andean	591	Bolivia
3	Americas: Andean	57	Colombia
3	Americas: Andean	593	Ecuador
3	Americas: Andean	51	Peru
3	Americas: Andean	58	Venezuela
4	Americas: Mercosur and Southern Cone	54	Argentina
4	Americas: Mercosur and Southern Cone	55	Brazil
4	Americas: Mercosur and Southern Cone	56	Chile
4	Americas: Mercosur and Southern Cone	595	Paraguay
4	Americas: Mercosur and Southern Cone	598	Uruguay
1	Americas: Mexico	52	Mexico
2	Americas: Other Central and Caribbean	1264	Anguilla
2	Americas: Other Central and Caribbean	1268	Antigua
2	Americas: Other Central and Caribbean	1242	Bahamas
2	Americas: Other Central and Caribbean	246	Barbados
2	Americas: Other Central and Caribbean	501	Belize
2	Americas: Other Central and Caribbean	441	Bermuda
2	Americas: Other Central and Caribbean	284	British Virgin Islands
2	Americas: Other Central and Caribbean	345	Cayman Islands
2	Americas: Other Central and Caribbean	506	Costa Rica
2	Americas: Other Central and Caribbean	809	Dominican Republic
2	Americas: Other Central and Caribbean	503	El Salvador
2	Americas: Other Central and Caribbean	473	Grenada
2	Americas: Other Central and Caribbean	590	Guadeloupe
2	Americas: Other Central and Caribbean	502	Guatemala
2	Americas: Other Central and Caribbean	504	Honduras
2	Americas: Other Central and Caribbean	876	Jamaica
2	Americas: Other Central and Caribbean	596	Martinique
2	Americas: Other Central and Caribbean	505	Nicaragua
2	Americas: Other Central and Caribbean	507	Panama
2	Americas: Other Central and Caribbean	869	St. Kitts/Nevis
2	Americas: Other Central and Caribbean	758	St. Lucia
2	Americas: Other Central and Caribbean	784	St. Vincent & Grenadines
2	Americas: Other Central and Caribbean	597	Suriname
2	Americas: Other Central and Caribbean	868	Trinidad& Tobago
2	Americas: Other Central and Caribbean	649	Turks & Caicos
2	Americas: Other Central and Caribbean	297	Aruba
2	Americas: Other Central and Caribbean	53	Cuba
2	Americas: Other Central and Caribbean	599	Curacao

Region Code	Region Name	Country Code	Country Name
2	Americas: Other Central and Caribbean	767	Dominica
2	Americas: Other Central and Caribbean	594	French Guiana
2	Americas: Other Central and Caribbean	592	Guyana
2	Americas: Other Central and Caribbean	509	Haiti
2	Americas: Other Central and Caribbean	664	Montserrat
101	Americas: U.S. and Canada	2	Canada
101	Americas: U.S. and Canada	1	USA
7	Asia: China, Hong Kong, Taiwan	86	China
7	Asia: China, Hong Kong, Taiwan	852	Hong Kong
7	Asia: China, Hong Kong, Taiwan	886	Taiwan
5	Asia: India, Pakistan and Afghanistan	93	Afghanistan
5	Asia: India, Pakistan and Afghanistan	91	India
5	Asia: India, Pakistan and Afghanistan	92	Pakistan
6	Asia: Other South	880	Bangladesh
6	Asia: Other South	975	Bhutan
6	Asia: Other South	960	Maldives
6	Asia: Other South	977	Nepal
6	Asia: Other South	94	Sri Lanka
8	Asia: Southeast, Korea and Japan	673	Brunei
8	Asia: Southeast, Korea and Japan	855	Cambodia
8	Asia: Southeast, Korea and Japan	62	Indonesia
8	Asia: Southeast, Korea and Japan	81	Japan
8	Asia: Southeast, Korea and Japan	856	Laos
8	Asia: Southeast, Korea and Japan	60	Malaysia
8	Asia: Southeast, Korea and Japan	95	Myanmar
8	Asia: Southeast, Korea and Japan	850	North Korea
8	Asia: Southeast, Korea and Japan	63	Philippines
8	Asia: Southeast, Korea and Japan	65	Singapore
8	Asia: Southeast, Korea and Japan	82	South Korea
8	Asia: Southeast, Korea and Japan	66	Thailand
8	Asia: Southeast, Korea and Japan	84	Vietnam
8	Asia: Southeast, Korea and Japan	670	East Timor
105	Asia-Pacific: Australia and New Zealand	61	Australia
105	Asia-Pacific: Australia and New Zealand	682	Cook Islands
105	Asia-Pacific: Australia and New Zealand	64	New Zealand
9	Asia-Pacific: Islands	679	Fiji
9	Asia-Pacific: Islands	689	French Polynesia
9	Asia-Pacific: Islands	686	Kiribati
9	Asia-Pacific: Islands	691	Micronesia
9	Asia-Pacific: Islands	674	Nauru
9	Asia-Pacific: Islands	687	New Caledonia
9	Asia-Pacific: Islands	680	Palau
9	Asia-Pacific: Islands	675	Papua New Guinea
9	Asia-Pacific: Islands	685	Samoa
9	Asia-Pacific: Islands	677	Solomon Islands
9	Asia-Pacific: Islands	676	Tonga

Region Code	Region Name	Country Code	Country Name
9	Asia-Pacific: Islands	688	Tuvalu
9	Asia-Pacific: Islands	678	Vanuatu
15	Europe: Central	420	Czech Republic
15	Europe: Central	372	Estonia
15	Europe: Central	36	Hungary
15	Europe: Central	371	Latvia
15	Europe: Central	370	Lithuania
15	Europe: Central	48	Poland
15	Europe: Central	421	Slovak Republic
16	Europe: Eastern	355	Albania
16	Europe: Eastern	387	Bosnia and Herzegovina
16	Europe: Eastern	359	Bulgaria
16	Europe: Eastern	385	Croatia
16	Europe: Eastern	383	Kosovo
16	Europe: Eastern	389	Macedonia
16	Europe: Eastern	382	Montenegro
16	Europe: Eastern	40	Romania
16	Europe. Eastern	381	Serbia
16	Europe: Eastern	90	Turkey
14	Europe: Russia & CIS	374	Armenia
14	Europe: Russia & CIS	994	Azerbaijan
14	Europe: Russia & CIS	375	Belarus
14	Europe: Russia & CIS	995	Georgia
14	Europe: Russia & CIS	8	Kazakhstan
14	Europe: Russia & CIS	996	Kyrgyzstan
14	Europe: Russia & CIS	373	Moldova
14	Europe: Russia & CIS	976	Mongolia
14	Europe: Russia & CIS	7	Russia
14	Europe: Russia & CIS	992	Tajikistan
14	Europe: Russia & CIS	993	Turkmenistan
14	Europe: Russia & CIS	380	Ukraine
14	Europe: Russia & CIS	998	Uzbekistan
102	Europe: Western	376	Andorra
102	Europe: Western	43	Austria
102	Europe: Western	32	Belgium
102	Europe: Western	357	Cyprus
102	Europe: Western	45	Denmark
102	Europe: Western	358	Finland
102	Europe: Western	33	France
102	Europe: Western	49	Germany
102	Europe: Western	30	Greece
102	Europe: Western	354	Iceland
102	Europe: Western	353	Ireland
102	Europe: Western	101	Isle of Man
102	Europe: Western	39	Italy
102	Europe: Western	102	Liechtenstein

Region Code	Region Name	Country Code	Country Name
102	Europe: Western	352	Luxembourg
102	Europe: Western	356	Malta
102	Europe: Western	377	Monaco
102	Europe: Western	31	Netherlands
102	Europe: Western	47	Norway
102	Europe: Western	351	Portugal
102	Europe: Western	386	Slovenia
102	Europe: Western	34	Spain
102	Europe: Western	46	Sweden
102	Europe: Western	41	Switzerland
102	Europe: Western	44	United Kingdom
10	Middle East: Gulf States	973	Bahrain
10	Middle East: Gulf States	98	Iran
10	Middle East: Gulf States	964	Iraq
10	Middle East: Gulf States	965	Kuwait
10	Middle East: Gulf States	968	Oman
10	Middle East: Gulf States	974	Qatar
10	Middle East: Gulf States	966	Saudi Arabia
10	Middle East: Gulf States	971	United Arab Emirates
10	Middle East: Gulf States	967	Yemen
11	Middle East: MENA	213	Algeria
11	Middle East: MENA	20	Egypt
11	Middle East: MENA	972	Israel
11	Middle East MENA	962	Jordan
11	Middle East: MENA	961	Lebanon
11	Middle East: MENA	212	Morocco
11	Middle East: MENA	970	Palestinian Settlements
11	Middle East: MENA	963	Syrian Arab Republic
11	Middle East: MENA	216	Tunisia
11	Middle East: MENA	1212	Western Sahara
11	Middle East: MENA	218	Libya

ANNEX D
S&P DEFAULT RATE TABLE

Tenor	Rating									
	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-
0	0	0	0	0	0	0	0	0	0	0
1	0.003249	0.008324	0.017659	0.049443	0.100435	0.198336	0.305284	0.403669	0.461619	0.524294
2	0.015699	0.036996	0.073622	0.139938	0.257400	0.452472	0.667329	0.892889	1.091719	1.445989
3	0.041484	0.091325	0.172278	0.276841	0.474538	0.770505	1.100045	1.484175	1.895696	2.702054
4	0.084784	0.176281	0.317753	0.464897	0.755269	1.158808	1.613532	2.186032	2.867799	4.229668
5	0.149746	0.296441	0.513749	0.708173	1.102407	1.621846	2.213969	3.000396	3.994693	5.969443
6	0.240402	0.455938	0.763415	1.009969	1.517930	2.162163	2.903924	3.924151	5.258484	7.867654
7	0.360599	0.658408	1.069266	1.372767	2.002861	2.780489	3.682872	4.950544	6.639097	9.877442
8	0.513925	0.906953	1.433135	1.798206	2.557255	3.475934	4.547804	6.070420	8.116014	11.959164
9	0.703660	1.204112	1.856168	2.287090	3.180245	4.246223	5.493831	7.273226	9.669463	14.080160
10	0.932722	1.551859	2.338835	2.839430	3.870134	5.087962	6.514747	8.547804	11.281152	16.214169
11	1.203636	1.951593	2.880967	3.454496	4.624506	5.996889	7.603506	9.882975	12.934676	18.340556
12	1.518511	2.404163	3.481806	4.130896	5.440351	6.968119	8.752625	11.267955	14.615674	20.443492
13	1.879017	2.909885	4.140061	4.866660	6.314188	7.996356	9.954495	12.692626	16.311827	22.511146
14	2.286393	3.468577	4.853976	5.659322	7.242183	9.076083	11.201627	14.147698	18.012750	24.534955
15	2.741441	4.079595	5.621395	6.506018	8.220258	10.201710	12.486816	15.624793	19.709826	26.508977
16	3.244545	4.741882	6.439830	7.403564	9.244188	11.367700	13.803266	17.116461	21.396011	28.429339
17	3.795687	5.454010	7.306523	8.348542	10.309683	12.568668	15.144662	18.616162	23.065636	30.293780
18	4.394473	6.214227	8.218512	9.337373	11.412464	13.799448	16.505206	20.118217	24.714212	32.101269
19	5.040161	7.020506	9.172684	10.366381	12.548315	15.055145	17.879633	21.617740	26.338248	33.851709
20	5.731690	7.870595	10.165829	11.431855	13.713133	16.331168	19.263208	23.110574	27.935091	35.545692
21	6.467720	8.762054	11.194685	12.530097	14.902967	17.623250	20.651699	24.593206	29.502784	37.184306
22	7.246658	9.692304	12.255978	13.657463	16.114039	18.927451	22.041357	26.062700	31.039941	38.768990
23	8.066698	10.658664	13.346459	14.810401	17.342769	20.240163	23.428880	27.516624	32.545643	40.301420
24	8.925853	11.658386	14.462930	15.985473	18.585784	21.558096	24.811375	28.952986	34.019346	41.783417
25	9.821992	12.688687	15.602275	17.179384	19.839925	22.878270	26.186325	30.370173	35.460813	43.216885
26	10.752863	13.746781	16.761474	18.388990	21.102252	24.197998	27.551553	31.766900	36.870044	44.603759
27	11.716131	14.829898	17.937621	19.611314	22.370042	25.514868	28.905184	33.142161	38.247233	45.945970
28	12.709401	15.935312	19.127936	20.843553	23.640779	26.826725	30.245615	34.495190	39.592717	47.245417
29	13.730244	17.060358	20.329775	22.083077	24.912158	28.131652	31.571487	35.825422	40.906950	48.503948
30	14.776220	18.202443	21.540635	23.327436	26.182066	29.427952	32.881653	37.132462	42.190470	49.723352

Tenor	Rating								
	BB+	BB	BB-	B+	B	B-	CCC+	CCC	CCC-
0	0	0	0	0	0	0	0	0	0
1	1.051627	2.109451	2.600238	3.221175	7.848052	10.882127	15.688600	20.494984	25.301275
2	2.499656	4.644348	5.872070	7.597534	14.781994	20.010198	28.039819	34.622676	40.104827
3	4.296729	7.475880	9.536299	12.379110	20.934989	27.616832	37.429809	44.486183	49.823181
4	6.375706	10.488373	13.369967	17.163869	26.396576	33.956728	44.585491	51.602827	56.644894
5	8.664544	13.586821	17.214556	21.748448	31.246336	39.272130	50.135335	56.922985	61.661407
6	11.095356	16.697807	20.966483	26.041061	35.559617	43.770645	54.540771	61.035699	65.491579
7	13.609032	19.767400	24.563596	30.011114	39.406428	47.620000	58.122986	64.312999	68.512300
8	16.156890	22.757944	27.972842	33.660308	42.849805	50.951513	61.102369	66.995611	70.963159

Tenor	Rating								
	BB+	BB	BB-	B+	B	B-	CCC+	CCC	CCC-
9	18.700581	25.644678	31.180555	37.006268	45.945037	53.866495	63.630626	69.243071	73.001159
10	21.211084	28.412675	34.185384	40.073439	48.739741	56.442784	65.813448	71.163565	74.731801
11	23.667314	31.054264	36.993388	42.888153	51.274446	58.740339	67.725700	72.832114	76.227640
12	26.054666	33.566968	39.614764	45.476090	53.583431	60.805678	69.421440	74.301912	77.539705
13	28.363660	35.951906	42.061729	47.861084	55.695612	62.675243	70.940493	75.611515	78.704697
14	30.588762	38.212600	44.347194	50.064659	57.635391	64.377918	72.312813	76.789485	79.749592
15	32.727407	40.354091	46.483968	52.105958	59.423407	65.936872	73.561381	77.857439	80.694661
16	34.779204	42.382307	48.484306	54.001869	61.077177	67.370926	74.704179	78.832075	81.555449
17	36.745314	44.303617	50.359673	55.767228	62.611640	68.695550	75.755528	79.726540	82.344119
18	38.627975	46.124519	52.120647	57.415059	64.039598	69.923606	76.727026	80.551376	83.070367
19	40.430133	47.851440	53.776900	58.956797	65.372082	71.065901	77.628212	81.315171	83.742047
20	42.155172	49.490597	55.337225	60.402500	66.618643	72.131608	78.467035	82.025027	84.365628
21	43.806716	51.047918	56.809591	61.761037	67.787598	73.128577	79.250199	82.686894	84.946502
22	45.388482	52.528995	58.201208	63.040250	68.886224	74.063579	79.983418	83.305814	85.489225
23	46.904180	53.939064	59.518589	64.247092	69.920916	74.942503	80.671609	83.886103	85.997683
24	48.357444	55.282998	60.767623	65.387746	70.897320	75.770492	81.319036	84.431487	86.475223
25	49.751780	56.565320	61.953636	66.467726	71.820441	76.552075	81.929422	84.945209	86.924750
26	51.090543	57.790210	63.081447	67.491964	72.694731	77.291249	82.506039	85.430110	87.348805
27	52.376916	58.961526	64.155419	68.464885	73.524165	77.991566	83.051779	85.888693	87.749621
28	53.613901	60.082826	65.179512	69.390464	74.312302	78.656191	83.569207	86.323175	88.129173
29	54.804319	61.157385	66.157321	70.272285	75.062339	79.287952	84.060611	86.735528	88.489217
30	55.950815	62.188218	67.092112	71.113583	75.777155	79.889391	84.528038	87.127511	88.831318

ANNEX E
S&P NON-MODEL VERSION CDO MONITOR DEFINITIONS

If so elected by the Collateral Manager by written notice to the Issuer, the Collateral Administrator, the Trustee and S&P, the S&P CDO Monitor Test shall be defined as follows:

"**S&P CDO Monitor Test**" means a test that will be satisfied if on any Measurement Date on or after the Effective Date and during the Reinvestment Period following receipt by the Issuer and the Collateral Administrator of the S&P CDO Monitor input files or the formula contained in the definition of Class Break-Even Default Rate, as applicable, if, after giving effect to the purchase of a Collateral Obligation, (a) during any S&P CDO Model Election Period, the Class Default Differential of the Proposed Portfolio with respect to the Highest Ranking S&P Class is positive and (b) during the S&P CDO Formula Election Period (if any), the Adjusted Class Break-Even Default Rate is equal to or greater than the S&P CDO SDR.

As used for purposes of the S&P CDO Monitor Test, the following terms shall have the meanings set forth below:

"**Adjusted Class Break-Even Default Rate** " means the value calculated based on the following formula (or such other published formula by S&P that the Collateral Manager provides to the Collateral Administrator):

BDR * (A/B) + (B-A) / (B * (1-WARR)) where:

Term	Meaning
BDR	Class Break-Even Default Rate
A	Target Par Amount
B	S&P Collateral Principal Amount
WARR	S&P CDO Monitor Recovery Rate

"**Highest Ranking S&P Class**" means any Class of Outstanding Notes rated by S&P with respect to which there is no Outstanding Priority Class.

"**S&P CDO Formula Election Date**" means the date designated by the Collateral Manager upon at least five Business Days' prior written notice to S&P, the Trustee and the Collateral Administrator as the date on which the Issuer will begin to utilise the Adjusted Class Break-Even Default Rate, provided that an S&P CDO Formula Election Date may only occur once.

"**S&P CDO Formula Election Period**" means the period from the S&P CDO Formula Election Date until the occurrence of an S&P CDO Monitor Election Date.

"**S&P CDO Monitor Election Date**" means the date designated by the Collateral Manager upon at least five Business Days' prior written notice to S&P, the Trustee and the Collateral Administrator as the date on which the Issuer will start utilising paragraph (a) of the definition of Class Break-Event Default Rate.

"**S&P CDO Model Election Period**" means the period from the Effective Date until the occurrence of the S&P CDO Formula Election Date (if any) and (ii) the period, if any, from and after the S&P CDO Monitor Election Date.

"**S&P CDO SDR**" means the value calculated based on the following formula (or such other published formula by S&P that the Collateral Manager provides to the Collateral Administrator):

0.329915 + (1.210322 * EPDR) – (0.586627 * DRD) + (2.538684 / ODM) + (0.216729 / IDM) + (0.0575539 / RDM) – (0.0136662 * WAL) where:

Term	Meaning
EPDR	S&P Expected Default Rate
DRD	S&P Default Rate Dispersion
ODM	S&P Obligor Diversity Measure
IDM	S&P Industry Diversity Measure
RDM	S&P Regional Diversity Measure
WAL	S&P Weighted Average Life

For purposes of this calculation, the following definitions will apply:

"**S&P Default Rate**" means, with respect to a Collateral Obligation, the default rate as determined in accordance with Annex D hereto by reference to the number of years to maturity of such Collateral Obligation; provided that if the number of years to maturity of such Collateral Obligation is not an integer, the default rate will be determined by interpolating between the rate for the next shorter maturity and the rate for the next longer maturity.

"**S&P Default Rate Dispersion**" means the value calculated by multiplying the Principal Balance for each S&P CLO Specified Asset by the absolute value of the difference between the S&P Default Rate and the S&P Expected Default Rate, then summing the total for the Portfolio, then dividing this result by the Aggregate Principal Balance of the S&P CLO Specified Assets.

"**S&P Expected Default Rate**" means the value calculated by multiplying the Principal Balance of each S&P CLO Specified Asset by the S&P Default Rate, then summing the total for the Portfolio, and then dividing this result by the Aggregate Principal Balance of all of the S&P CLO Specified Assets.

"**S&P Industry Diversity Measure**" means the value calculated by determining the Aggregate Principal Balance of the S&P CLO Specified Assets within each S&P Industry Classification Group, then dividing each of these amounts by the Aggregate Principal Balance of the S&P CLO Specified Assets from all the industries, squaring the result for each industry, then taking the reciprocal of the sum of these squares.

"**S&P Obligor Diversity Measure**" means the value calculated by determining the Aggregate Principal Balance of the S&P CLO Specified Assets from each Obligor and its Affiliates, then dividing each of these amounts by the Aggregate Principal Balance of S&P CLO Specified Assets from all the Obligors in the Portfolio, squaring the result for each Obligor, then taking the reciprocal of the sum of these squares.

"**S&P Regional Diversity Measure**" means the value calculated by determining the Aggregate Principal Balance of the S&P CLO Specified Assets within each S&P region set forth in Annex C hereto (or such other published table by S&P that the Collateral Manager provides to the Collateral Administrator), then dividing each of these amounts by the Aggregate Principal Balance of the S&P CLO Specified Assets from all regions in the Portfolio, squaring the result for each region, then taking the reciprocal of the sum of these squares.

"**S&P Weighted Average Life**" means the value calculated by determining the number of years between the current date and the maturity date of each S&P CLO Specified Asset, then multiplying each S&P CLO Specified Asset's Principal Balance by its number of years, summing the results of all S&P CLO Specified Assets, and dividing this amount by the Aggregate Principal Balance of all S&P CLO Specified Assets.

"**S&P CLO Specified Assets**" means Collateral Obligations with an S&P Rating equal to or higher than "CCC-".

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ANNEX B

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 D Notes and Class E Notes (determined separately by class) issued by Elm Park CLO Designated Activity Company (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) obtain from you certain representations and agreements and (iii) provide you with certain related information with respect to the limitations on your acquisition, holding and disposition of the Class D Notes and Class E 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 and we and any such entity are not described in Question 3 below.

   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 D Notes and Class E 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 D Notes or Class E 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" (and will therefore be in whole or in part a Benefit Plan Investor) 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" of a Benefit Plan Investor 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. 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 D Notes or Class E Notes do not and will not constitute or result in a non-exempt prohibited transaction under section 406 of ERISA and/or Section 4975 of the Code.

6. Not Subject to Similar 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 and/or Section 4975 of the Code, and (b) our acquisition, holding and disposition of the Class D Notes, Class E Notes or the Subordinated Notes do not and will not constitute or result in a violation of any law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

7. ☐ 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 7 is referred to in this Certificate as a "Controlling Person."

Note: We understand that, for purposes of determining whether Benefit Plan Investors hold less than 25 per cent. of the value of the Class D Notes or Class E Notes (determined separately by class), the Class D Notes or Class E Notes held by Controlling Persons (other than Benefit Plan Investors) are required to be disregarded.

Compelled Disposition. We acknowledge and agree that:

(i) if any representation that we made hereunder is or 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 not consent to our acquisition of any Class D Notes or Class E Notes (or interest in such Notes) and, if applicable, 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 D Notes or Class E Notes, the Issuer shall have the right, without further notice to us, to sell our Class D Notes or Class E Notes or our interest in the Class D Notes or Class E 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 D Notes or Class E 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 D Notes or Class E Notes, we agree to such limitations and to cooperate with the Issuer to effect such transfers;

(v) the proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to us; and

(vi) the terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and the Issuer shall not be liable to us as a result of any such sale or the exercise of such discretion.

8. Independent Fiduciary Representation. If we are a Benefit Plan Investor, we represent, warrant and agree to the Issuer, on each day from the date on which we acquire such Note or interest through and including the date on which we dispose of such Note or interest, and at any time when regulation 29 C.F.R. Section 2510.3-21, as modified in 2016, is applicable, that the fiduciary making the decision to invest in the Note (the "Independent Fiduciary") (a) is a bank, insurance company, registered investment adviser, broker-dealer or other person with financial expertise, in each case as described in 29 C.F.R. Section 2510.3-21(c)(1)(i); (b) is an independent plan fiduciary within the meaning of 29 C.F.R. Section 2510.3-21(c); (c) is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies; (d) is responsible for exercising independent judgment in evaluating the acquisition, holding and disposition of the Note; and (e) is not paying and has not paid, and we as a Benefit Plan Investor are not paying and have not paid, any fee or other compensation to any of the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager or the Collateral Administrator for investment advice (as opposed to other services) in connection with its acquisition or holding of the Notes. In addition, we acknowledge and agree that the Independent Fiduciary (x) has been informed that none of the Issuer, the Issuer, the Initial Purchaser, the Trustee, the Collateral Manager or the Collateral Administrator, or other persons that provide marketing services with respect to the Issuer, nor any of their affiliates, has provided, and none of them will provide, impartial investment advice and they are not giving any advice in a fiduciary capacity, in connection with the purchaser's or transferee's acquisition or holding of the Notes and (y) has received and understands the disclosure of the existence and nature of the financial interests contained in the prospectus and related materials.

9. 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 D Notes or Class E Notes (or interest therein) 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.

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 D Notes or Class E 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 D Notes or Class E Notes (determined separately by class) upon any subsequent transfer of the Class D Notes or Class E 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, Barclays Bank PLC 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, Barclays Bank PLC, 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 D

Notes or Class E 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 (A) a transferee of a Class D Note or Class E Note (or any interest therein) from us will be deemed to represent (among other things) that it is not a Benefit Plan Investor or a Controlling Person and (B) if such a transferee holds such a Note in the form of a Definitive Certificate it may acquire such Class D Note or Class E Note if such transferee: (i) obtains the written consent of the Issuer; and (ii) provides an ERISA certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person. Notwithstanding the foregoing, BGCF or the Collateral Manager, provided in each case that they have given an ERISA certificate to the Issuer, may hold Class D Notes or Class E Notes in the form of Definitive Certificates, Regulation S Global Certificates or Rule 144A Global Certificates.

Note: Unless you are notified otherwise, the name and address of the Issuer is as follows:

Elm Park CLO Designated Activity Company, 2nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland.

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Haddington Road
Dublin 4, Ireland

COLLATERAL MANAGER

Blackstone / GSO Debt Funds Management Europe Limited
30 Herbert Street
Dublin 2
Ireland

SOLE ARRANGER AND INITIAL PURCHASER
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5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

COLLATERAL ADMINISTRATOR

Virtus Group LP

New Broad Street House
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London EC2M 1NH
United Kingdom

CALCULATION AGENT, PRINCIPAL PAYING AGENT, ACCOUNT BANK, CUSTODIAN, TRANSFER AGENT AND INFORMATION AGENT
Citibank, N.A. London Branch

Citigroup Centre
Canada Square
Canary Wharf
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TRUSTEE

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