If you are not the intended recipient of this message, please delete and destroy all copies of this disclaimer and the attached Offering Circular (as defined below) along with any e-mail to which either may be attached.

DISCLAIMER

Attached please find an electronic copy of the Offering Circular dated May 20, 2015 (the "Offering Circular") relating to the offering by AMMC CLO 16, Limited and AMMC CLO 16, Corp. of certain notes (the "Offering").

The Offering Circular does not constitute an offer to any person other than the recipient nor to the public generally to subscribe for or otherwise acquire any of the securities described herein.

The Offering Circular shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of any such jurisdiction.

In order to be eligible to view this email and/or access the Offering Circular or make an investment decision with respect to the securities described therein, you must either (a) not be a "U.S. person" within the meaning of Regulation S under the Securities Act of 1933, as amended (the "Securities Act"), or (b) be (i) a "Qualified Institutional Buyer" within the meaning of Rule 144A under the Securities Act that is a "Qualified Purchaser" (or an entity owned or beneficially owned exclusively by Qualified Purchasers) within the meaning of Section 3(c)(7) of the Investment Company Act of 1940, as amended, or (ii) solely in the case of the Class E Notes and the Subordinated Notes, (x) an institutional "accredited investor" (an "Institutional Accredited Investor") within the meaning of Rule 501(a)(1)-(3) or (7) of Regulation D under the Securities Act that is a Qualified Purchaser (or an entity owned or beneficially owned exclusively by Qualified Purchasers), or (y) an "accredited investor" within the meaning of Section 501(a) of Regulation D under the Securities Act that is a "Knowledgeable Employee" (or an entity owned exclusively by Knowledgeable Employees) with respect to the Issuer for purposes of Rule 3c-5 of the Investment Company Act.

Distribution of this electronic transmission of the Offering Circular to any person other than (a) the person receiving this electronic transmission from the Initial Purchaser on behalf of the Co-Issuers, and (b) any person retained to advise the person receiving this electronic transmission with respect to the offering contemplated by the Offering Circular (each, an "Authorized Recipient") is unauthorized. Any photocopying, disclosure or alteration of the contents of the Offering Circular, and any forwarding of a copy of the Offering Circular or any portion thereof by electronic mail or any other means to any person other than an Authorized Recipient, except as expressly authorized herein, is prohibited. By accepting delivery of the Offering Circular, each recipient hereof agrees to the foregoing.

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, EFFECTIVE FROM THE DATE OF COMMENCEMENT OF DISCUSSIONS, RECIPIENTS, AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF THE RECIPIENTS, MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE U.S. TAX TREATMENT AND TAX STRUCTURE OF THE OFFERING AND ALL MATERIALS OF ANY KIND, INCLUDING OPINIONS OR OTHER TAX ANALYSES, THAT ARE PROVIDED TO THE RECIPIENTS RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE. THIS AUTHORIZATION TO DISCLOSE THE U.S. TAX TREATMENT AND TAX STRUCTURE DOES NOT PERMIT DISCLOSURE OF INFORMATION IDENTIFYING A CO-ISSUER, THE INITIAL PURCHASER, THE COLLATERAL MANAGER OR ANY OTHER PARTY TO THE TRANSACTION, THIS OFFERING OR THE PRICING (EXCEPT TO THE EXTENT SUCH INFORMATION IS RELEVANT TO U.S. TAX STRUCTURE OR TAX TREATMENT) OF THIS OFFERING.

THE INFORMATION CONTAINED HEREIN SUPERSEDES ANY PREVIOUS SUCH INFORMATION DELIVERED TO ANY PROSPECTIVE INVESTOR AND MAY BE SUPERSEDED BY INFORMATION DELIVERED TO SUCH PROSPECTIVE INVESTOR.

OFFERING CIRCULAR

AMMC CLO 16, Limited
AMMC CLO 16, Corp.

U.S.$286,985,000 CLASS A1 SENIOR SECURED FLOATING RATE NOTES DUE 2027
U.S.$31,000,000 CLASS A-F SENIOR SECURED FIXED RATE NOTES DUE 2027
U.S.$6,000,000 CLASS AX AMORTIZING SENIOR SECURED FLOATING RATE NOTES DUE 2027
U.S.$50,800,000 CLASS B1 SENIOR SECURED FLOATING RATE NOTES DUE 2027
U.S.$4,215,000 CLASS B-F SENIOR SECURED FIXED RATE NOTES DUE 2027
U.S.$30,000,000 CLASS C SECURED DEFERRABLE FLOATING RATE NOTES DUE 2027
U.S.$ 30,000,000 CLASS D SECURED DEFERRABLE FLOATING RATE NOTES DUE 2027
U.S.$27,000,000 CLASS E SECURED DEFERRABLE FLOATING RATE NOTES DUE 2027
U.S.$44,800,000 SUBORDINATED NOTES DUE 2027

The Issuer's investment portfolio will consist primarily of bank loans and Participation Interests. The portfolio will be managed by American Money Management Corporation.

The Notes will be sold at negotiated prices determined at the time of sale. See "Plan of Distribution".

No Notes will be issued unless upon issuance (i) the Class A1 Notes are rated "Aaa(sf) by Moody's and "AAAsf" by Fitch, (ii) the Class A-F Notes are rated "Aaa(sf)" by Moody's and "AAAsf" by Fitch, (iii) the Class AX Notes are rated "Aaa(sf)" by Moody's and "AAAsf" by Fitch, (iv) the Class B1 Notes are rated at least "Aa2(sf)" by Moody's, (v) the Class B-F Notes are rated at least "Aa2(sf)" by Moody's, (vi) the Class C Notes are rated at least "A2(sf)" by Moody's, (vii) the Class D Notes are rated at least "Baa3(sf)" by Moody's and (viii) the Class E Notes are rated at least "Ba3(sf)" by Moody's. The Subordinated Notes will not be rated. See "Ratings of the Secured Notes".

Application has been made to the Irish Stock Exchange plc (the "**Irish Stock Exchange**") for the Notes to be admitted to the Official List (the "**Official List**") for trading on the Global Exchange Market of the Irish Stock Exchange plc (the "**GEM**"). This Offering Circular constitutes listing particulars for the purpose of the application and has been approved by the Irish Stock Exchange. There can be no assurance that any such listing will be maintained.

SEE "RISK FACTORS" FOR A DESCRIPTION OF CERTAIN FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE NOTES. THE ASSETS OF THE ISSUER ARE THE SOLE SOURCE OF PAYMENTS ON THE NOTES. THE NOTES DO NOT REPRESENT AN INTEREST IN OR OBLIGATIONS OF, AND ARE NOT INSURED OR GUARANTEED BY, THE TRUSTEE, THE SUBORDINATED NOTE ISSUING AND PAYING AGENT, THE COLLATERAL MANAGER, THE INITIAL PURCHASER OR ANY OF THEIR RESPECTIVE AFFILIATES.

THE NOTES BEING OFFERED HEREBY (THE "NOTES") HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, AND NEITHER CO-ISSUER HAS BEEN REGISTERED UNDER THE INVESTMENT COMPANY ACT. THE NOTES ARE BEING OFFERED ONLY (1) TO NON-U.S. PERSONS OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S AND (2) TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS THAT ARE (A) (X) QUALIFIED INSTITUTIONAL BUYERS AND QUALIFIED PURCHASERS (OR ENTITIES OWNED (OR BENEFICIALLY OWNED) EXCLUSIVELY BY QUALIFIED PURCHASERS) OR (Y) SOLELY IN THE CASE OF THE CLASS E NOTES AND SUBORDINATED NOTES, (I) INSTITUTIONAL ACCREDITED INVESTORS THAT ARE QUALIFIED PURCHASERS (OR ENTITIES OWNED (OR BENEFICIALLY OWNED) EXCLUSIVELY BY QUALIFIED PURCHASERS OR (II) ACCREDITED INVESTORS THAT ARE KNOWLEDGEABLE EMPLOYEES (OR ENTITIES OWNED EXCLUSIVELY BY KNOWLEDGEABLE EMPLOYEES) WITH RESPECT TO THE ISSUER. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLERS OF THE NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER. EACH ORIGINAL PURCHASER OF A NOTE WILL BE DEEMED TO MAKE CERTAIN ACKNOWLEDGMENTS, REPRESENTATIONS, WARRANTIES AND CERTIFICATIONS. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON TRANSFER, SEE "TRANSFER RESTRICTIONS".

The Notes are being offered by and through Jefferies LLC ("**Jefferies**"), as the lead manager, sole book-runner and the sole initial purchaser of all of the Notes (referred to herein in such capacity, as the "**Initial Purchaser**"), subject to prior sale when, as and if issued. The Initial Purchaser reserves the right to withdraw, cancel or modify such offer and to reject orders in whole or in part. The Notes purchased by the Initial Purchaser will be resold to prospective purchasers from time to time in negotiated transactions at varying prices to be determined in each case at the time of sale. Jefferies will act as initial purchaser on behalf of the Co-Issuers with respect to the offer and sale of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and on behalf of the Issuer with respect to the offer and sale of the Class E Notes and the Subordinated Notes. It is expected that the Notes will be delivered to investors on or about May 14, 2015 (the "**Closing Date**") against payment therefor in immediately available funds.

Initial Purchaser of the Secured Notes and the Subordinated Notes

Jefferies

May 20, 2015

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Important information regarding this Offering Circular and the Notes

In making your investment decision, you should rely solely on the information contained in this Offering Circular and in the Transaction Documents. No person has been authorized to give you any information or to make any representation other than those contained in this Offering Circular and in the Transaction Documents. If you receive any other information, you should not rely on it.

You should not assume that the information contained in this Offering Circular is accurate as of any date other than the date on the front cover of this Offering Circular.

The Notes are being offered and sold only in places where offers and sales are permitted.

The Co-Issuers and the Initial Purchaser reserve the right, for any reason, to reject any offer to purchase in whole or in part, to allot to you less than the full amount of Notes sought by you or to sell less than the stated initial principal amount of any Class of Notes.

The Notes do not represent interests in or obligations of, and are not insured or guaranteed by, the Initial Purchaser, the Collateral Manager, the Trustee, the Collateral Administrator or any of their respective Affiliates.

The Notes are subject to restrictions on resale and transfer as described under "Description of the Notes", "Plan of Distribution" and "Transfer Restrictions". By purchasing any Notes, you will be deemed to have made certain acknowledgments, representations and agreements as described in "Transfer Restrictions". You may be required to bear the financial risks of investing in the Notes for an indefinite period of time.

Unless the context otherwise requires or as otherwise indicated herein, each reference to "Jefferies" in this Offering Circular means Jefferies LLC in its capacity as initial purchaser of the Notes.

NOTICE TO NEW HAMPSHIRE RESIDENTS

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

This Offering Circular is being provided only to prospective purchasers of the Notes. You should read this Offering Circular and the Transaction Documents before making a decision whether to purchase any Notes. Except as otherwise authorized above, you must not:

- use this Offering Circular for any other purpose;

- make copies of any part of this Offering Circular or give a copy of it to any other Person; or

- disclose any information in this Offering Circular to any other Person.

The information contained in this Offering Circular has been provided by the Co-Issuers and other sources identified herein. The Issuer (and, with respect to the information contained under the headings "Risk Factors—Relating to the Collateral Manager" and the sub-headings thereunder, "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its Affiliates" and "The Collateral Manager" and in Part 2A of the Collateral Manager's Form ADV, the Collateral Manager), having made all reasonable inquiries, confirms that the information contained in this Offering Circular is true and correct in all material respects and is not misleading, that the opinions and intentions expressed in this Offering Circular are honestly held and that there are no other facts whose omission would make any of such information or the expression of any such opinions or intentions misleading. The Issuer (and, with respect to the information contained under the headings "Risk Factors—Relating to the Collateral Manager" and the sub-headings thereunder, "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its Affiliates" and "The Collateral Manager" and in Part 2A of the Collateral Manager's Form, the Collateral Manager) takes responsibility accordingly.

You are responsible for making your own examination of the Co-Issuers and the Collateral Manager and your own assessment of the merits and risks of investing in the Notes. By purchasing any Notes, you will be deemed to have acknowledged that:

- you have reviewed this Offering Circular;

- you have had an opportunity to request any additional information that you need from the Issuer; and

- none of the Initial Purchaser or (except in the case of clause (ii) below with respect to the information contained under the headings "Risk Factors—Relating to the Collateral Manager" and the sub-headings thereunder, "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its Affiliates" and "The Collateral Manager" and in Part 2A of the Collateral Manager's Form ADV) the Collateral Manager is responsible for, or is making any representation to you concerning, (i) the future performance of the Issuer or (ii) the accuracy or completeness of this Offering Circular.

None of the Co-Issuers, the Initial Purchaser, the Collateral Manager nor any other party to the transaction contemplated by this Offering Circular is providing you with any legal, business, tax or other advice in this Offering Circular. You should consult with your own advisors as needed to assist you in making an investment decision and to advise you as to whether you are legally permitted to purchase the Notes.

THE NOTES ARE BEING OFFERED IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THESE EXEMPTIONS APPLY TO OFFERS AND SALES OF SECURITIES THAT DO NOT INVOLVE A PUBLIC OFFERING. THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, AND NONE OF THE FOREGOING AUTHORITIES HAS CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

EACH PROSPECTIVE PURCHASER OF ANY OF THE NOTES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN ANY 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 BY IT FOR THE PURCHASE, OFFER OR SALE BY IT OF THE NOTES UNDER THE LAWS AND

REGULATIONS IN FORCE IN ANY JURISDICTION TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND NONE OF THE CO-ISSUERS, THE INITIAL PURCHASER, THE COLLATERAL MANAGER AND ANY OF THEIR RESPECTIVE AFFILIATES SHALL HAVE ANY RESPONSIBILITY FOR YOUR COMPLIANCE WITH THESE LEGAL REQUIREMENTS.

IMPORTANT INFORMATION REGARDING OFFERS AND SALES OF THE NOTES

The Notes referred to in this Offering Circular, and the assets backing them, are subject to modification or revision and are offered on a "when, as and if issued" basis.

The Initial Purchaser's obligation to sell or place such securities to you is conditioned, among other things, on the securities having the characteristics described in this Offering Circular. If the Initial Purchaser determines that condition is not satisfied in any material respect, you will be notified, and none of the Issuer, the Co-Issuer or the Initial Purchaser will have any obligation to you to deliver any portion of the securities that you have committed to purchase, and there will be no liability among the Issuer, the Co-Issuer, their Affiliates, the Initial Purchaser and you as a consequence of the non-delivery.

The information contained herein supersedes any previous such information delivered to you and may be superseded by information delivered to you prior to the time of contract of sale.

NO PERSON IS AUTHORIZED IN CONNECTION WITH ANY OFFERING MADE HEREBY TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION OTHER THAN AS CONTAINED HEREIN AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE ISSUER, THE CO-ISSUER, THE INITIAL PURCHASER, THE COLLATERAL MANAGER, THE TRUSTEE, THE SUBORDINATED NOTE ISSUING AND PAYING AGENT OR ANY OF THEIR RESPECTIVE AFFILIATES. THIS OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, (I) ANY SECURITIES OTHER THAN THE NOTES OR (II) ANY NOTES IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH AN OFFER OR SOLICITATION. THE DISTRIBUTION OF THIS OFFERING CIRCULAR AND THE OFFER OR SALE OF THE NOTES MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS OFFERING CIRCULAR OR ANY OF THE NOTES COME ARE REQUIRED BY THE CO-ISSUERS AND THE INITIAL PURCHASER TO INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS. IN PARTICULAR, THERE ARE RESTRICTIONS ON THE DISTRIBUTION OF THIS OFFERING CIRCULAR, AND THE OFFER AND SALE OF NOTES, IN THE UNITED STATES OF AMERICA, THE UNITED KINGDOM AND THE CAYMAN ISLANDS. SEE "PLAN OF DISTRIBUTION". NEITHER THE DELIVERY OF THIS OFFERING CIRCULAR NOR ANY OFFER OR SALE OF ANY NOTE OFFERED HEREBY SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE CO-ISSUERS OR THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE AS OF WHICH SUCH INFORMATION IS GIVEN HEREIN. THE CO-ISSUERS AND THE INITIAL PURCHASER RESERVE THE RIGHT, FOR ANY REASON, TO REJECT ANY OFFER TO PURCHASE IN WHOLE OR IN PART, TO ALLOT TO ANY OFFEREE LESS THAN THE FULL AMOUNT OF NOTES SOUGHT BY SUCH OFFEREE OR TO SELL LESS THAN THE AGGREGATE STATED PRINCIPAL AMOUNT OF ANY CLASS OF NOTES.

THE NOTES ARE LIMITED RECOURSE OBLIGATIONS OF THE ISSUER. THE CO-ISSUED NOTES ARE NON-RECOURSE OBLIGATIONS OF THE CO-ISSUER. THE NOTES ARE PAYABLE SOLELY FROM THE COLLATERAL OBLIGATIONS AND OTHER COLLATERAL PLEDGED BY THE ISSUER TO SECURE THE SECURED NOTES. NONE OF THE HOLDERS, MEMBERS, PARTNERS, OFFICERS, DIRECTORS, MANAGERS OR INCORPORATORS OF THE ISSUER, THE CO-ISSUER, THE TRUSTEE, THE SUBORDINATED NOTE ISSUING AND PAYING AGENT, THE ADMINISTRATOR, THE COLLATERAL MANAGER, ANY RATING AGENCY, THE INITIAL PURCHASER, ANY OF THEIR RESPECTIVE

AFFILIATES OR ANY OTHER PERSON OR ENTITY WILL BE OBLIGATED TO MAKE PAYMENTS ON THE NOTES. CONSEQUENTLY, THE HOLDERS MUST RELY SOLELY ON AMOUNTS RECEIVED IN RESPECT OF THE COLLATERAL OBLIGATIONS AND OTHER COLLATERAL PLEDGED TO SECURE THE SECURED NOTES FOR THE PAYMENT OF PRINCIPAL THEREOF AND INTEREST THEREON. THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION. THE NOTES ARE TO BE PURCHASED FOR INVESTMENT ONLY AND MAY NOT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED BY AN INVESTOR DIRECTLY OR INDIRECTLY WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OF U.S. PERSONS (AS DEFINED IN REGULATION S) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLER OF ANY NOTE MAY BE RELYING ON THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREOF ("**RULE 144A**") OR ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ON ANY APPLICABLE STATE SECURITIES LAWS. FOR CERTAIN RESTRICTIONS ON RESALE, SEE "DESCRIPTION OF THE NOTES—FORM, DENOMINATION AND REGISTRATION OF THE NOTES" AND "TRANSFER RESTRICTIONS". A TRANSFER OF NOTES IS SUBJECT TO THE RESTRICTIONS DESCRIBED HEREIN, INCLUDING THAT NO SALE, PLEDGE, TRANSFER OR EXCHANGE MAY BE MADE OF A NOTE (1) EXCEPT AS PERMITTED UNDER (A) THE SECURITIES ACT PURSUANT TO AN EXEMPTION FROM REGISTRATION AS DESCRIBED HEREIN, (B) APPLICABLE STATE SECURITIES LAWS AND (C) APPLICABLE SECURITIES LAWS OF ANY OTHER JURISDICTION, (2) EXCEPT IN COMPLIANCE WITH THE CERTIFICATION AND OTHER REQUIREMENTS SET FORTH IN THE INDENTURE AND THE SUBORDINATED NOTE ISSUING AND PAYING AGENCY AGREEMENT AND (3) IN A DENOMINATION LESS THAN THE REQUIRED MINIMUM DENOMINATION. THE NOTES ARE SUBJECT TO FURTHER RESTRICTIONS ON TRANSFER. SEE "TRANSFER RESTRICTIONS".

NEITHER OF THE CO-ISSUERS NOR THE POOL OF ASSETS HAS BEEN REGISTERED UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"), BY REASON OF THE EXEMPTION FROM REGISTRATION CONTAINED IN SECTION 3(c)(7) THEREOF. NO TRANSFER OF THE NOTES WHICH WOULD HAVE THE EFFECT OF REQUIRING EITHER OF THE CO-ISSUERS TO REGISTER OR THE POOL OF ASSETS TO REGISTER OR BE REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT WILL BE PERMITTED. ANY TRANSFER OF A PHYSICAL NOTE MAY BE EFFECTED ONLY ON THE NOTE REGISTER MAINTAINED BY THE APPLICABLE NOTE REGISTRAR PURSUANT TO THE INDENTURE OR THE SUBORDINATED NOTE PAYING AGENCY AGREEMENT. ANY TRANSFER OF AN INTEREST IN A RULE 144A GLOBAL NOTE OR A REGULATION S GLOBAL NOTE WILL BE SHOWN ON, AND TRANSFERS THEREOF WILL BE EFFECTED ONLY THROUGH, RECORDS MAINTAINED BY DTC AND ITS DIRECT AND INDIRECT PARTICIPANTS (INCLUDING, IN THE CASE OF REGULATION S GLOBAL NOTES, EUROCLEAR AND CLEARSTREAM, LUXEMBOURG).

FOR THESE REASONS, AMONG OTHERS, AN INVESTMENT IN THE NOTES IS NOT SUITABLE FOR ALL INVESTORS AND IS APPROPRIATE ONLY FOR AN INVESTOR CAPABLE OF (A) ANALYZING AND ASSESSING THE RISKS ASSOCIATED WITH DEFAULTS, LOSSES AND RECOVERIES ON, REINVESTMENT OF PROCEEDS OF AND OTHER CHARACTERISTICS OF ASSETS SUCH AS THOSE INCLUDED IN THE COLLATERAL AND (B) BEARING SUCH RISKS AND THE FINANCIAL CONSEQUENCES THEREOF AS THEY RELATE TO AN INVESTMENT IN THE NOTES.

IT IS EXPECTED THAT PROSPECTIVE INVESTORS INTERESTED IN PARTICIPATING IN THIS OFFERING ARE WILLING AND ABLE TO CONDUCT AN INDEPENDENT INVESTIGATION OF THE RISKS POSED BY AN INVESTMENT IN THE NOTES.

This Offering Circular has been prepared by the Co-Issuers solely for use in connection with the offering of the Notes described herein (the "**Offering**"). The Co-Issuers disclaim any obligation to update such information and do not intend to do so. Neither the Initial Purchaser nor any of its respective Affiliates make any representation or warranty as to, has independently verified or assumes any responsibility for, the accuracy or completeness of the information contained herein. The Co-Issuers (and, with respect to the information contained under the headings "Risk Factors—Relating to the Collateral Manager" and the sub-headings thereunder, "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its Affiliates" and "The Collateral Manager" and in Part 2A of the Collateral Manager's Form ADV, the Collateral Manager) accept responsibility for the information contained in this document and to the best of the knowledge and belief of the Co-Issuers (and, with respect to the information contained under the headings "Risk Factors—Relating to the Collateral Manager" and the sub-headings thereunder, "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its Affiliates" and "The Collateral Manager" and in Part 2A of the Collateral Manager's Form ADV, the Collateral Manager) (which have taken reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Neither the Collateral Manager nor any of its Affiliates makes any representation or warranty as to, has independently verified or assumes any responsibility for, the accuracy or completeness of the information contained herein (other than in the case of the Collateral Manager, the information contained under the headings "Risk Factors—Relating to the Collateral Manager" and the sub-headings thereunder, "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its Affiliates" and "The Collateral Manager" and in Part 2A of the Collateral Manager's Form ADV). No other party to the transactions described herein makes any representation or warranty as to, has independently verified or assumes any responsibility for, the accuracy and completeness of the information contained herein. Nothing contained in this Offering Circular is or should be relied upon as a promise or representation as to future results or events. The Trustee has not participated in the preparation of this Offering Circular and assumes no responsibility for its contents.

None of the Initial Purchaser, the Trustee, the Subordinated Note Issuing and Paying Agent, the Collateral Manager, their respective Affiliates and any other Person party to the transactions described herein (other than the Co-Issuers) assumes any responsibility for the performance of any obligations of either of the Co-Issuers or any other Person described in this Offering Circular (other than its own obligations under documents entered into by it) or for the due execution, validity or enforceability of the Notes or for the value or validity of the Assets.

Although the Initial Purchaser may from time to time make a market in any Notes, the Initial Purchaser is not under any obligation to do so. If the Initial Purchaser commences any market-making, the Initial Purchaser may discontinue the same at any time. There can be no assurance that a secondary market for any Notes will develop, or if a secondary market does develop, that it will provide the Holders of such Notes with liquidity of investment or that it will continue for the life of such Notes.

NONE OF THE CO-ISSUERS, THE INITIAL PURCHASER, THE COLLATERAL MANAGER, THE TRUSTEE, THE SUBORDINATED NOTE ISSUING AND PAYING AGENT OR ANY OF THEIR RESPECTIVE AFFILIATES MAKES ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF NOTES REGARDING THE LEGALITY OF INVESTMENT THEREIN BY SUCH OFFEREE OR PURCHASER UNDER APPLICABLE LEGAL INVESTMENT OR SIMILAR LAWS OR REGULATIONS OR THE PROPER CLASSIFICATION OF SUCH AN INVESTMENT THEREUNDER.

Offers, sales and deliveries of the Notes are subject to certain restrictions in the United States, the United Kingdom, the Cayman Islands and other jurisdictions. See "Plan of Distribution" and "Transfer Restrictions".

No invitation, whether direct or indirect, may be made to the public in the Cayman Islands to subscribe for the Notes.

NOTICE TO CONNECTICUT RESIDENTS

THE NOTES HAVE NOT BEEN REGISTERED UNDER THE CONNECTICUT SECURITIES LAW. THE NOTES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND SALE.

NOTICE TO FLORIDA RESIDENTS

THE NOTES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER SECTION 517.061 OF THE FLORIDA SECURITIES ACT (THE "**FLORIDA ACT**") AND HAVE NOT BEEN REGISTERED UNDER THE FLORIDA ACT IN THE STATE OF FLORIDA. FLORIDA RESIDENTS WHO ARE NOT INSTITUTIONAL INVESTORS DESCRIBED IN SECTION 517.061(7) OF THE FLORIDA ACT HAVE THE RIGHT TO VOID THEIR PURCHASES OF THE NOTES WITHOUT PENALTY WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION.

NOTICE TO GEORGIA RESIDENTS

THE NOTES HAVE NOT BEEN REGISTERED UNDER THE GEORGIA UNIFORM SECURITIES ACT OF 2008, AND MAY NOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION THAT IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SUCH ACT.

LANGUAGE OF DOCUMENTS

By accepting this Offering Circular, the purchaser acknowledges that it is its express wish that all documents evidencing or relating in any way to the sale of the Notes be drawn up in the English language only.

NOTICE TO THE PUBLIC OF THE CAYMAN ISLANDS

NO INVITATION WHETHER DIRECT OR INDIRECT MAY BE MADE TO THE PUBLIC IN THE CAYMAN ISLANDS TO SUBSCRIBE FOR NOTES OF THE ISSUER, AND THIS DOCUMENT MAY NOT BE ISSUED OR PASSED TO ANY SUCH PERSON.

NOTICE TO RESIDENTS OF 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**"), JEFFERIES 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 WHICH ARE THE SUBJECT OF THIS OFFERING CIRCULAR OTHER THAN:

- TO ANY LEGAL ENTITY THAT IS A "QUALIFIED INVESTOR" AS DEFINED IN THE PROSPECTUS DIRECTIVE;

- TO FEWER THAN 100 OR, IF THE RELEVANT MEMBER STATE HAS IMPLEMENTED THE RELEVANT PROVISION OF THE 2010 PD AMENDING DIRECTIVE, 150, NATURAL OR LEGAL PERSONS (OTHER THAN QUALIFIED INVESTORS AS DEFINED IN THE PROSPECTUS DIRECTIVE) SUBJECT TO OBTAINING THE PRIOR CONSENT OF THE REPRESENTATIVES FOR ANY SUCH OFFER; OR

- IN ANY OTHER CIRCUMSTANCES FALLING WITHIN ARTICLE 3(2) OF THE PROSPECTUS DIRECTIVE;

PROVIDED THAT NO SUCH OFFER OF NOTES SHALL REQUIRE THE PUBLICATION OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE OR A SUPPLEMENTAL PROSPECTUS PURSUANT TO ARTICLE 16 OF THE PROSPECTUS DIRECTIVE.

FOR THE PURPOSES OF THIS PROVISION, THE EXPRESSION AN "OFFER OF NOTES TO THE PUBLIC" IN RELATION TO ANY NOTES IN 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 THE NOTES, AS THE SAME MAY BE VARIED IN THAT RELEVANT MEMBER STATE BY ANY MEASURE IMPLEMENTING THE PROSPECTUS DIRECTIVE IN THAT RELEVANT MEMBER STATE AND THE EXPRESSION "**PROSPECTUS DIRECTIVE**" MEANS DIRECTIVE 2003/71/EC (AND AMENDMENTS THERETO, INCLUDING THE 2010 PD AMENDING DIRECTIVE, TO THE EXTENT IMPLEMENTED IN THE RELEVANT MEMBER STATE), AND INCLUDES ANY RELEVANT IMPLEMENTING MEASURE IN THE RELEVANT MEMBER STATE AND THE EXPRESSION "**2010 PD AMENDING DIRECTIVE**" MEANS DIRECTIVE 2010/73/EU.

THIS OFFERING CIRCULAR DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSE OF THE PROSPECTUS DIRECTIVE.

NOTICE TO RESIDENTS OF FRANCE

NEITHER THIS OFFERING CIRCULAR NOR ANY OTHER OFFERING MATERIAL RELATING TO THE NOTES HAS BEEN SUBMITTED TO THE CLEARANCE PROCEDURES OF THE *AUTORITÉ DES MARCHÉS FINANCIERS* OR OF THE COMPETENT AUTHORITY OF ANOTHER MEMBER STATE OF THE EUROPEAN ECONOMIC AREA AND NOTIFIED TO THE *AUTORITÉ DES MARCHÉS FINANCIERS*. THE NOTES HAVE NOT BEEN OFFERED OR SOLD AND WILL NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, TO THE PUBLIC IN FRANCE. NEITHER THIS OFFERING CIRCULAR NOR ANY OTHER OFFERING MATERIAL RELATING TO THE NOTES HAS BEEN OR WILL BE:

- RELEASED, ISSUED, DISTRIBUTED OR CAUSED TO BE RELEASED, ISSUED OR DISTRIBUTED TO THE PUBLIC IN FRANCE; OR

- USED IN CONNECTION WITH ANY OFFER FOR SUBSCRIPTION OR SALE OF THE NOTES TO THE PUBLIC IN FRANCE.

SUCH OFFERS, SALES AND DISTRIBUTIONS WILL BE MADE IN FRANCE ONLY:

- TO QUALIFIED INVESTORS (*INVESTISSEURS QUALIFIÉS*) AND/OR TO A RESTRICTED CIRCLE OF INVESTORS (*CERCLE RESTREINT D'INVESTISSEURS*), IN EACH CASE INVESTING FOR THEIR OWN ACCOUNT, ALL AS DEFINED IN, AND IN ACCORDANCE WITH, ARTICLES L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 AND D.764-1 OF THE FRENCH *CODE MONÉTAIRE ET FINANCIER*;

- TO INVESTMENT SERVICES PROVIDERS AUTHORIZED TO ENGAGE IN PORTFOLIO MANAGEMENT ON BEHALF OF THIRD PARTIES; OR

- IN A TRANSACTION THAT, IN ACCORDANCE WITH ARTICLE L.411-2-II-1°-OR-2°-OR 3° OF THE FRENCH *CODE MONÉTAIRE ET FINANCIER* AND ARTICLE 211-2 OF THE GENERAL REGULATIONS (*RÈGLEMENT GÉNÉRAL*) OF THE *AUTORITÉ DES MARCHÉS FINANCIERS*, DOES NOT CONSTITUTE A PUBLIC OFFER (*APPEL PUBLIC À L'ÉPARGNE*).

THE NOTES MAY BE RESOLD, DIRECTLY OR INDIRECTLY, ONLY IN COMPLIANCE WITH ARTICLES L.411-1, L.411-2, L.412-1 AND L.621-8 THROUGH L.621-8-3 OF THE FRENCH *CODE MONÉTAIRE ET FINANCIER*.

NOTICE TO RESIDENTS OF ITALY

THE NOTES WILL NOT BE OFFERED, SOLD OR DELIVERED, AND COPIES OF THIS OFFERING CIRCULAR OR ANY OTHER DOCUMENT RELATING TO THE NOTES WILL NOT BE DISTRIBUTED, IN THE REPUBLIC OF ITALY UNLESS SUCH OFFER, SALE OR DELIVERY OF NOTES OR DISTRIBUTION OF COPIES OF THIS OFFERING CIRCULAR OR ANY OTHER DOCUMENT RELATING TO THE NOTES IN THE REPUBLIC OF ITALY IS:

- MADE BY AN INVESTMENT FIRM, BANK OR FINANCIAL INTERMEDIARY PERMITTED TO CONDUCT SUCH ACTIVITIES IN THE REPUBLIC OF ITALY IN ACCORDANCE WITH LEGISLATIVE DECREE NO. 385 OF 1 SEPTEMBER, 1993 (THE "**BANKING ACT**"), THE FINANCIAL SERVICES ACT, REGULATION 11522 AND ANY OTHER APPLICABLE LAWS AND REGULATIONS; AND

- IN COMPLIANCE WITH ANY AND ALL OTHER APPLICABLE LAWS AND REGULATIONS.

NOTICE TO RESIDENTS OF IRELAND

THE NOTES WILL NOT BE UNDERWRITTEN OR PLACED OTHERWISE THAN IN CONFORMITY WITH THE PROVISIONS OF THE INVESTMENT INTERMEDIARIES ACT, 1995 OF IRELAND, AS AMENDED, INCLUDING, WITHOUT LIMITATION, SECTIONS 9 AND 23 (INCLUDING ADVERTISING RESTRICTIONS MADE THEREUNDER) THEREOF AND THE CODES OF CONDUCT MADE UNDER SECTION 37 THEREOF OR, IN THE CASE OF A CREDIT INSTITUTION EXERCISING ITS RIGHTS UNDER THE BANKING CONSOLIDATION DIRECTIVE (2000/12/EC OF 20TH MARCH, 2000) IN CONFORMITY WITH THE CODES OF CONDUCT OR PRACTICE MADE UNDER SECTION 117(1) OF THE CENTRAL BANK ACT, 1989, OF IRELAND, AS AMENDED.

IN CONNECTION WITH OFFERS OR SALES OF THE NOTES, EACH OF THE CO-ISSUERS AND THE INITIAL PURCHASER HAS ONLY ISSUED OR PASSED ON, AND WILL ONLY ISSUE OR PASS ON, IN IRELAND, ANY DOCUMENT RECEIVED BY IT IN CONNECTION WITH THE ISSUE OF THE NOTES TO PERSONS WHO ARE PERSONS TO WHOM THE DOCUMENTS MAY OTHERWISE LAWFULLY BE ISSUED OR PASSED ON.

IN RESPECT OF A LOCAL OFFER (WITHIN THE MEANING OF SECTION 38(1) OF THE INVESTMENT FUNDS, COMPANIES AND MISCELLANEOUS PROVISIONS ACT 2005 OF IRELAND (THE "**2005 ACT**")) OF SECURITIES IN IRELAND, SECTION 49 OF THE 2005 ACT HAS BEEN COMPLIED WITH AND WILL BE COMPLIED WITH.

NOTICE TO RESIDENTS OF JAPAN

THE NOTES HAVE NOT BEEN REGISTERED UNDER THE FINANCIAL INSTRUMENTS AND EXCHANGE LAW OF JAPAN. THE NOTES HAVE NOT BEEN OFFERED OR SOLD AND WILL NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN JAPAN OR TO OR FOR THE ACCOUNT OF ANY RESIDENT OF JAPAN, EXCEPT (I) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE FINANCIAL INSTRUMENTS AND EXCHANGE LAW AND (II) IN COMPLIANCE WITH ANY OTHER APPLICABLE REQUIREMENTS OF JAPANESE LAW.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

THE INITIAL PURCHASER WILL REPRESENT, WARRANT AND AGREE THAT (A) IT HAS ONLY COMMUNICATED OR CAUSED TO BE COMMUNICATED AND WILL ONLY COMMUNICATE OR CAUSE TO BE COMMUNICATED AN INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY (WITHIN THE MEANING OF SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("**FSMA**")) RECEIVED BY IT IN CONNECTION WITH THE ISSUE OR SALE OF THE NOTES IN CIRCUMSTANCES IN WHICH SECTION 21(1) OF FSMA DOES NOT APPLY TO THE CO-ISSUERS; AND (B) IT HAS COMPLIED WITH AND WILL COMPLY WITH ALL APPLICABLE PROVISIONS OF FSMA WITH RESPECT TO ANYTHING DONE BY IT IN RELATION TO THE NOTES IN, FROM OR OTHERWISE INVOLVING THE UNITED KINGDOM.

WITHIN THE UNITED KINGDOM, THIS OFFERING CIRCULAR MAY NOT BE PASSED ON EXCEPT TO INVESTMENT PROFESSIONALS OR OTHER PERSONS IN CIRCUMSTANCES IN WHICH SECTION 21(1) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED) DOES NOT APPLY TO THE ISSUER (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**"). THIS OFFERING CIRCULAR MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS OFFERING CIRCULAR RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

RELEVANT PERSONS SHOULD NOTE THAT ALL, OR MOST, OF THE PROTECTIONS OFFERED BY THE UNITED KINGDOM REGULATORY SYSTEM WILL NOT APPLY TO AN INVESTMENT IN THE NOTES AND THAT COMPENSATION WILL NOT BE AVAILABLE UNDER THE UNITED KINGDOM FINANCIAL SERVICES COMPENSATION SCHEME.

THIS OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, (I) ANY SECURITIES OTHER THAN THE NOTES OR (II) ANY NOTES IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH AN OFFER OR SOLICITATION. THE DISTRIBUTION OF THIS OFFERING CIRCULAR AND THE OFFER OR SALE OF THE NOTES MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS OFFERING CIRCULAR OR ANY OF THE NOTES COME ARE REQUIRED BY THE CO-ISSUERS AND THE INITIAL PURCHASER TO INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS.

EACH PROSPECTIVE PURCHASER OF ANY OF THE NOTES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN ANY 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 BY IT FOR THE PURCHASE, OFFER OR SALE BY IT OF THE NOTES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION TO WHICH IT IS SUBJECT OR IN WHICH IT

MAKES SUCH PURCHASES, OFFERS OR SALES, AND NONE OF THE CO-ISSUERS, THE INITIAL PURCHASER, THE COLLATERAL MANAGER AND ANY OF THEIR RESPECTIVE AFFILIATES SHALL HAVE ANY RESPONSIBILITY THEREFOR.

NOTICE TO EEA-REGULATED INVESTORS AND THEIR AFFILIATES

No originator, sponsor or original lender will retain or commit to retain a 5% net economic interest with respect to the Notes or the Collateral Obligations for the purposes of Articles 404-410 of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, known as the Capital Requirements Regulation ("**CRR**") , Article 17 of European Union (EU) Directive 2011/61/EU of the European Parliament and of the Counsel of 8 June 2011 on Alternative Investment Fund Managers (the "**AIFMD**") and Chapter III, Section 5 of Regulation 231/2013 supplementing the AIFMD (the "**AIFMD Regulation**"), in each case as amended and supplemented from time to time, or any comparable legislation or regulation which may apply to banks, investment firms, alternative investment fund managers ("**AIFMs**"), insurance and reinsurance companies or other investors subject to regulation in any country in the European Economic Area (EEA) or any other jurisdiction.

Each holder or beneficial owner of the Notes is responsible for independently analyzing its own regulatory position and is advised to consult with its own advisors regarding the suitability of the Notes for investment and compliance with CRR Articles 404-410, AIFMD Article 17, AIFMD Regulation Chapter III, Section 5, or any comparable law or regulation and to assess whether the information provided herein and to investors in any report are sufficient to comply with Articles 404-410.

STABILIZATION

In connection with the issue of the Secured Notes, Jefferies LLC (the "**Stabilizing Manager**") (or persons acting on behalf of the Stabilizing Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager (or persons acting on behalf of the Stabilizing Manager) will undertake stabilization action. Any stabilization action or over-allotment will be conducted by the Stabilizing Manager (or persons acting on behalf of the Stabilizing Manager) in accordance with all applicable laws and rules.

FORWARD-LOOKING STATEMENTS

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

Without limiting the generality of the foregoing, you should not regard the inclusion of forward-looking statements in this Offering Circular as a representation by the Co-Issuers, the Collateral Manager, Jefferies, the Trustee, the Collateral Administrator or any of their respective Affiliates or any other Person of the results that will actually be achieved by the Issuer or the Notes. None of the foregoing persons has any obligation to update or

otherwise revise any forward-looking statements, including any revisions to reflect changes in any circumstances arising after the date of this Offering Circular relating to any assumptions or otherwise.

CERTAIN DEFINITIONS AND RELATED MATTERS

Unless otherwise indicated, (i) references in this Offering Circular to "U.S. Dollars", "Dollars" and "U.S.$" will be to United States dollars; (ii) references to the term "holder" will mean the person in whose name a security is registered; except where the context otherwise requires, holder will include the beneficial owner of such security; and (iii) references to "U.S." and "United States" will be to the United States of America, its territories and its possessions.

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.

SUMMARIES OF DOCUMENTS

This Offering Circular summarizes certain provisions of the Notes, the Indenture, the Collateral Management Agreement, the Subordinated Note Issuing and Paying Agency Agreement and other Transaction Documents. The summaries do not purport to be complete and (whether or not so stated in this Offering Circular) are subject to, are qualified in their entirety by reference to, and incorporate by reference, the provisions of the actual documents (including definitions of terms). Copies of the above documents will be made available to offerees upon request from the Trustee. However, no documents incorporated by reference, to this Offering Circular form part of the listing particulars prepared under the Rules of the Global Exchange Market. Prospective investors should direct any requests and inquiries regarding this Offering Circular and such documents to the Issuer in care of the Jefferies at the following address: 520 Madison Avenue, New York, New York 10022, Attention: CDO Desk.

The Co-Issuers will make available to any offeree of the Notes, prior to the issuance thereof, the opportunity to ask questions of and to receive answers from the Co-Issuers or a Person acting on their behalf concerning the terms and conditions of the Offering, the Co-Issuers or any other relevant matters and to obtain any additional information to the extent the Co-Issuers possess such information or can obtain it without unreasonable expense.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with the sale of the Notes, the Issuer (and, solely in the case of the Co-Issued Notes, the Co-Issuer) under the Indenture referred to under "Description of the Notes" will be required to furnish upon request of a holder of a Note to such holder and a prospective purchaser designated by such holder the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request the Co-Issuers are neither (a) reporting companies under Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") nor (b) exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act. Neither of the Co-Issuers expects to become such a reporting company or to become so exempt from reporting. The Issuer will provide or cause to be provided, without charge to each investor upon request, a copy of the Indenture.

SUMMARY OF TERMS

The following summary does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this Offering Circular and related documents referred to herein. An index of defined terms appears at the back of this Offering Circular.

Principal Terms of the Notes

Designation	Class A1 Notes	Class A-F Notes	Class AX Notes	Class B1 Notes	Class B-F Notes	Class C Notes	Class D Notes	Class E Notes	Subordinated Notes
Type	Senior Secured Floating Rate	Senior Secured Fixed Rate	Amortizing Senior Secured Floating Rate	Senior Secured Floating Rate	Senior Secured Fixed Rate	Secured Deferrable Floating Rate	Secured Deferrable Floating Rate	Secured Deferrable Floating Rate	Subordinated
Issuer(s)	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Issuer	Issuer
Initial Principal Amount (U.S.$)	$286,985,000	$31,000,000	$6,000,000	$50,800,000	$4,215,000	$30,000,000	$30,000,000	$27,000,000	$44,800,000
Expected Moody's Initial Rating	"Aaa(sf)"	"Aaa(sf)"	"Aaa(sf)"	"Aa2(sf)"	"Aa2(sf)"	"A2(sf)"	"Baa3(sf)"	"Ba3(sf)"	N/A
Expected Fitch Initial Rating	"AAAsf"	"AAAsf"	"AAAsf"	N/A	N/A	N/A	N/A	N/A	N/A
Interest Rate[1]	LIBOR + 1.50%	3.040%	LIBOR + 1.35%	LIBOR + 2.20%	3.922%	LIBOR + 3.10%	LIBOR + 3.75%	LIBOR + 5.60%	N/A
Interest Deferrable	No	No	No	No	No	Yes	Yes	Yes	N/A
Stated Maturity	April 14, 2027	April 14, 2027	April 14, 2027	April 14, 2027	April 14, 2027	April 14, 2027	April 14, 2027	April 14, 2027	April 14, 2027
Minimum Denominations (U.S.$) (Integral Multiples)	$100,000 ($1.00)	$100,000 ($1.00)	$100,000 ($1.00)	$100,000 ($1.00)	$100,000 ($1.00)	$100,000 ($1.00)	$100,000 ($1.00)	$100,000 ($1.00)	$100,000 ($1.00)
Ranking:									
Priority Class(es)	None	None	None	A	A	A and B	A, B and C	A, B, C and D	A, B, C, D and E
***Pari Passu* Class(es)**	A-F and AX[2]	A1 and AX[2]	A1 and A-F[2]	B-F[3]	B1[3]	None	None	None	None
Junior Class(es)	B,C, D, E, Subordinated		B,C, D, E, Subordinated	C, D, E, Subordinated	C, D, E, Subordinated	D, E, Subordinated	E, Subordinated	Subordinated	None

[1] LIBOR is calculated as set forth under "Description of the Notes—Interest on the Secured Notes" and the definition of LIBOR. LIBOR for the first Interest Accrual Period will be set on two different Notional Determination Dates and therefore two different rates will likely apply during the first Interest Accrual Period. The spread over LIBOR or the fixed rate applicable to a Class or sub-class of Secured Notes (other than the Class A1 Notes and the Class A-F Notes) may be reduced in connection with a Re-Pricing of such Class or sub-class of Secured Notes subject to the conditions described under "Description of the Notes—Re-Pricing".

[2] The Class A1 Notes, Class A-F Notes and Class A-X Notes are sub-classes of the Class A Notes. Each of (i) the amortizing payments of principal on the Class AX Notes between the fourth Payment Date following the Closing Date and the date on which the Reinvestment Period ends and (ii) the payments of interest on the Class AX Notes shall be *pari passu* with payments of interest on the Class A1 Notes and Class A-F Notes. However, if and when Available Funds are paid in accordance with the Note Payment Sequence, including following the failure to satisfy a Coverage Test, on a Redemption Date and in connection with a Special Redemption, the principal amount of the Class A1 Notes and the principal amount of the Class A-F Notes (which will be paid on a *pari passu* and *pro rata* basis between the Class A1 Notes and the Class A-F Notes) will be paid in full prior to payment of principal on the Class AX Notes.

[3] The Class B1 Notes and Class B-F Notes are sub-classes of the Class B Notes that are entitled to receive payments *pari passu* among themselves (for which purpose payments will be made to each sub-class *pro rata* according to the amount then due and payable to each sub-class). As sub-classes, for purposes of any vote under the Indenture and any other Transaction Document, including any vote measured "separately by Class", such Class B1 Notes and Class B-F Notes shall be treated as a single Class, except in connection with any supplemental indenture which affects either such sub-class exclusively and differently from the Holders of any other Class or sub-class.

Issuer:	AMMC CLO 16, Limited, an exempted company incorporated with limited liability in the Cayman Islands.
Co-Issuer:	AMMC CLO 16, Corp., a Delaware corporation.
Collateral Manager:	American Money Management Corporation, a corporation organized under the laws of the State of Ohio.
Trustee:	U.S. Bank National Association.
Subordinated Note Issuing and Paying Agent:	U.S. Bank National Association.
Collateral Administrator:	U.S. Bank National Association.
Initial Purchaser:	Jefferies LLC.
Administrator:	MaplesFS Limited.
Eligible Purchasers:	The Notes are being offered hereby (i) to non-U.S. persons in offshore transactions in reliance on Regulation S and (ii) in the United States to persons that are (A) Qualified Institutional Buyers and Qualified Purchasers (or entities owned or beneficially owned exclusively by Qualified Purchasers), or (B) in the case of the Class E Notes and the Subordinated Notes only, either (x) Institutional Accredited Investors that are Qualified Purchasers (or entities owned or beneficially owned exclusively by Qualified Purchasers) or (y) Accredited Investors that are Knowledgeable Employees (or entities owned exclusively by Knowledgeable Employees) with respect to the Issuer. See "Description of the Notes—Form, denomination and registration of the Notes" and "Transfer Restrictions".
Payments on the Notes:	
Payment Dates.....	The 14th day of January, April, July and October of each year (or, if such day is not a Business Day, then the next succeeding Business Day) commencing in October, 2015.
Stated Note Interest.....	Interest on the Secured Notes is payable quarterly in arrears on each Payment Date in accordance with the Priority of Payments described herein.
Deferral of Interest.....	So long as any more senior Class of Secured Notes is outstanding, to the extent interest is not paid on the Class C Notes, the Class D Notes or the Class E Notes on any Payment Date, such non-payment will not constitute an Event of Default under the Indenture and such amounts will be deferred and added to the principal balance of the applicable Class of Secured Notes and will bear interest at the Interest Rate applicable to such Class of Secured Notes, until the earliest of (i) the Payment Date on which funds are available to pay such Secured Note Deferred Interest in accordance with the Priority of Payments, (ii) the Redemption Date with respect to the applicable Class of Secured Notes and (iii) the Stated Maturity

	of the applicable Class of Secured Notes. Regardless of whether any more senior Class of Notes is outstanding, to the extent that funds are not available on any Payment Date (other than the Redemption Date with respect to, or Stated Maturity of, the applicable Class of Secured Notes) to pay Secured Note Deferred Interest on the applicable Class of Secured Notes, such Secured Note Deferred Interest will not be due and payable on such Payment Date and any failure to pay such Secured Note Deferred Interest on such Payment Date will not be an Event of Default under the Indenture. See "Description of the Notes—Interest".
Distributions on Subordinated Notes	The Subordinated Notes will not bear a stated rate of interest but will be entitled to receive distributions on each Payment Date if and to the extent funds are available for such purpose. Such payments will be made on the Subordinated Notes only pursuant to the Priority of Payments. See "—Priority of Payments" and "Description of the Notes—The Subordinated Notes—Distributions on the Subordinated Notes". The Subordinated Note Issuing and Paying Agent will distribute any funds received by it for distribution to the Subordinated Noteholders on the date on which such funds are received, subject to certain conditions set forth in the Subordinated Note Issuing and Paying Agency Agreement.
Reinvestment Period:	The "**Reinvestment Period**" will be the period from and including the Closing Date to and including the earliest of (i) the Payment Date in April, 2019, (ii) any date on which the maturity of any Class of Secured Notes is accelerated following an Event of Default pursuant to the Indenture and (iii) any date on which the Collateral Manager reasonably determines that it can no longer reinvest in additional Collateral Obligations in accordance with the Indenture or the Collateral Management Agreement, *provided*, in the case of this clause (iii), the Collateral Manager notifies the Issuer, the Trustee (who shall notify the holders of Notes), the Collateral Administrator and Fitch thereof at least five Business Days prior to such date. For the avoidance of doubt, the mere occurrence of an Event of Default, without an acceleration of the maturity of any Class of Secured Notes, will not cause the Reinvestment Period to terminate.
Optional Redemption:	
Non-Call Period	During the period from the Closing Date to but excluding the Payment Date in April, 2017 (such period, the "**Non-Call Period**"), the Secured Notes and the Subordinated Notes are not subject to Optional Redemption, but are subject to Mandatory Redemption, Special Redemption and Tax Redemption. See "Description of the Notes—Optional Redemption and Tax Redemption".
Redemption in Whole After Non-Call Period	If directed in writing by a Majority of the Subordinated Notes, the Co-Issuers or the Issuer, as applicable, will, on any Payment Date after the Non-Call Period, redeem the Secured

Notes in whole (with respect to all Classes of Secured Notes) but not in part from Sale Proceeds and/or (upon the written proposal of the Collateral Manager or any Subordinated Noteholder that is approved by a Majority of the Subordinated Notes not later than 15 days prior to the Payment Date on which such redemption is to be made) Refinancing Proceeds by obtaining a loan or other form of financing or through the issuance of replacement securities, the terms of which in each case may be negotiated by the Collateral Manager on behalf of the Issuer, from one or more financial institutions or purchasers, subject to the restrictions described herein.

Upon any redemption in whole of the Secured Notes (but not in part), the Collateral Manager will (except to the extent Refinancing Proceeds will be applied to redeem the Secured Notes) direct the sale (and the manner thereof) of the Collateral Obligations and any Eligible Investments in order to make payments as described under "Description of the Notes—Optional Redemption and Tax Redemption". No Refinancing shall be effective unless the related Refinancing Proceeds are applied to repay the aggregate Redemption Prices of the Secured Notes subject to such Refinancing.

The Issuer may redeem the Subordinated Notes, in whole but not in part, on any Payment Date on or after the Optional Redemption or repayment of the Secured Notes in full, at the direction of the Collateral Manager or a Majority of the Subordinated Notes.

There are certain other restrictions on the ability of the Co-Issuers to effect an Optional Redemption. See "Description of the Notes—Optional Redemption and Tax Redemption".

Redemption in Part by Refinancing After Non-Call Period ..... In lieu of an Optional Redemption of the Secured Notes in whole in the manner provided above, the Co-Issuers or the Issuer, as applicable, will, on any Payment Date after the Non-Call Period (upon the written proposal of the Collateral Manager or any Subordinated Noteholder that is approved by a Majority of the Subordinated Notes not later than 15 days prior to the Payment Date on which such redemption is to be made), redeem the Secured Notes in part by Class from Refinancing Proceeds by obtaining a loan or other form of financing or through the issuance of replacement securities, the terms of which in each case may be negotiated by the Collateral Manager on behalf of the Issuer, from one or more financial institutions or purchasers, subject to the restrictions described herein. No such redemption shall be effective unless the related Refinancing Proceeds are applied to repay the aggregate Redemption Prices of the Secured Notes subject to such Optional Redemption. Prior to effecting any Refinancing, the Issuer shall satisfy certain conditions. See "Description of the Notes—Optional Redemption and Tax Redemption."

Clean-Up Call Redemption:

Redemption After Non-Call Period	At the written direction of the Collateral Manager to the Issuer and the Trustee, with copies to the Rating Agencies, at least 20 Business Days prior to the proposed Redemption Date, the Notes will be subject to redemption by the Issuer, in whole but not in part (a "**Clean-Up Call Redemption**") on any Business Day after the Non-Call Period on which the Collateral Principal Amount is less than 20% of the Target Initial Par Amount; *provided* that the Notes will not be so redeemed if a Majority of the Subordinated Notes, upon written notice delivered to the Issuer, the Trustee, the Subordinated Note Issuing and Paying Agent and the Collateral Manager not less than 10 Business Days prior to the Redemption Date, object to such Clean-Up Call Redemption. Any Clean-Up Call Redemption will be subject to the sale of the remaining Collateral Obligations and other Assets to the Collateral Manager or any other Person as set forth below.
Clean-Up Call Redemption Price.....	Any Clean-Up Call Redemption is subject to (i) the settlement of the sale of all of the Assets (other than the Eligible Investments referred to in clause (4) of this sentence) to the Collateral Manager or any other Person, on or prior to the fifth Business Day immediately preceding the related Redemption Date, for a purchase price in cash (the "**Clean-Up Call Redemption Price**") at least equal to the greater of (A) the sum of (1) the Aggregate Outstanding Amount of the Secured Notes, *plus* (2) accrued and unpaid interest thereon (including interest on any accrued and unpaid Secured Note Deferred Interest, in the case of the Class C Notes, Class D Notes and Class E Notes) to the date of such redemption, *plus* (3) the aggregate of all other amounts owing by the Co-Issuers on the date of such redemption that are payable in accordance with the Priority of Payments prior to distributions in respect of the Subordinated Notes (including all Management Fees and Administrative Expenses (without regard to the Administrative Expense Cap) of the Co-Issuers), *minus* (4) the balance of the Eligible Investments in the Collection Account and (B) the Market Value of all of such Assets, and (ii) the receipt by the Trustee from the Collateral Manager, prior to such purchase, of certification from the Collateral Manager that the sum so received satisfies clause (i). On the Redemption Date related to any Clean-Up Call Redemption, the Clean-Up Call Redemption Price will be distributed pursuant to the Priority of Payments. There are certain other restrictions on the ability of the Issuer to effect a Clean-Up Call Redemption. See "Description of the Notes—Clean-Up Call Redemption".
Additional Issuance	At any time during (but not after) the Reinvestment Period (other than in respect of an issuance which is a Refinancing/Re-Pricing Issuance, which may occur at any time after the Non-Call Period), at the direction of the Collateral Manager, the Co-Issuers (or the Issuer, as applicable) may issue and sell additional notes of any one or more Classes and/or additional

notes of one or more new classes that are fully subordinated to the existing Secured Notes and use the net proceeds to purchase additional Collateral Obligations or for other purposes permitted under the Indenture if the conditions for such additional issuance described under "Description of the Notes—The Indenture—Modification of Indenture" and "Description of the Notes—The Indenture—Additional Issuance" are met.

Tax Redemption..... The Notes shall be redeemed in whole but not in part at the written direction (delivered to the Trustee) of a Majority of the Subordinated Notes following (I) the occurrence and continuation of a Tax Event with respect to payments under one or more Collateral Obligations forming part of the Assets which results in a payment by, or charge or tax burden to, the Issuer that results or will result in the withholding of 5% or more of scheduled distributions for any Collection Period, (II) the occurrence and continuation of a Tax Event resulting in a tax burden on the Issuer in an aggregate amount in any Collection Period in excess of U.S.$1,000,000 or (III) the occurrence of a Tax Event relating to FATCA as specified in the definition of "Tax Event".

Redemption Prices..... The Redemption Price of each Secured Note to be redeemed in an Optional Redemption, a Clean-Up Call Redemption or a Tax Redemption or to be purchased in connection with a Re-Pricing will be (a) 100% of the Aggregate Outstanding Amount of such Secured Note *plus* (b) accrued and unpaid interest thereon (including, if applicable, interest on any accrued and unpaid Secured Note Deferred Interest with respect to such Secured Note) to the Redemption Date or Re-Pricing Date, as applicable; *provided* that, in connection with any Tax Redemption, Optional Redemption or Clean-Up Call Redemption, holders of 100% of the Aggregate Outstanding Amount of any Class of Secured Notes may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the holders of such Class of Secured Notes.

The Redemption Price for each Subordinated Note will be its proportional share (based on the outstanding principal amount of Subordinated Notes) of the amount of the proceeds of the Collateral Obligations, Eligible Investments and other distributable Assets remaining after giving effect to the Optional Redemption, Clean-Up Call Redemption or Tax Redemption, as applicable, of the Secured Notes in whole or after all of the Secured Notes have been repaid in full and all expenses of the Co-Issuers have been paid in full and/or a reserve for such expenses (including all Management Fees and Administrative Expenses) has been created.

Special Redemption:

Redemption during the Reinvestment Period..... The Secured Notes will be subject to redemption in part by the Co-Issuers or the Issuer, as applicable, in accordance with the priorities described in "—Priority of Payments—Application of

	Principal Proceeds" on any Payment Date occurring during the Reinvestment Period if the Collateral Manager notifies the Trustee that it has been unable, for a period of at least 20 consecutive Business Days, to identify additional Collateral Obligations that are deemed appropriate by the Collateral Manager and which would meet the criteria for reinvestment described under "Security for the Secured Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Collection Account that are to be invested in additional Collateral Obligations (any such redemption, a "**Reinvestment Special Redemption**"). Any such notice shall be based upon the Collateral Manager having attempted, in accordance with the standard of care set forth in the Collateral Management Agreement, to identify additional Collateral Obligations as described above. See "Description of the Notes—Special Redemption".
Redemption after the Effective Date	After the Effective Date, the Co-Issuers or the Issuer, as applicable, in accordance with the priorities described in "—Priority of Payments—Application of Interest Proceeds" and in "—Priority of Payments—Application of Principal Proceeds", may redeem the Secured Notes in part if the Collateral Manager notifies the Trustee that a redemption is required in order to obtain from Moody's its written confirmation (which may take the form of a press release or other written communication) of its initial rating(s) of the Secured Notes (any such redemption, a "**Ratings Special Redemption**", and, together with a Reinvestment Special Redemption, a "**Special Redemption**") See "Description of the Notes—Special Redemption".
	The Co-Issuers, or the Issuer, as applicable, must satisfy certain other conditions to effect a Special Redemption. See "Description of the Notes—Special Redemption".
Special Redemption Amount.....	The amount payable in connection with a Special Redemption in respect of each Class of Secured Notes subject to such Special Redemption will be equal to the amount in the Collection Account representing (1) in the case of a Reinvestment Special Redemption, Principal Proceeds available in accordance with the Priority of Payments which the Collateral Manager has determined cannot be reinvested in additional appropriate Collateral Obligations as described above or (2) in the case of a Ratings Special Redemption, all Interest Proceeds and all other Principal Proceeds available in accordance with the Priority of Payments. In the case of a Ratings Special Redemption, such amounts will be applied in accordance with the Note Payment Sequence in an amount sufficient to cause Moody's, to provide written confirmation (which may take the form of a press release or other written communication) of its initial rating of the Secured Notes. See "Summary of Terms—Priority of Payments" and "Description of the Notes—Special Redemption".

Re-Pricing:

As more fully described in the section "Description of the Notes—Re-Pricing", on the Payment Date on which the Non-Call Period ends or on any Business Day after the Non-Call Period, at the written direction of a Majority of the Subordinated Notes, the Issuer will, in the case of any Class or sub-class of Secured Notes that bears interest based on a spread over LIBOR (other than the Class A1 Notes and the Class A-F Notes), reduce the spread over LIBOR applicable with respect to such Class or sub-class of Secured Notes to the spread specified in such direction and, in the case of any Class or sub-class of Secured Notes that bears interest at a fixed rate, reduce such fixed rate applicable with respect to such Class or sub-class of Secured Notes to the rate specified in such direction, in each case, subject to certain conditions. No Re-Pricing of any such Re-Priced Class may occur unless the Notes of such Re-Priced Class held by Holders who do not consent to such Re-Pricing are sold by such Holders at the Redemption Price to other Holders that have consented to such Re-Pricing and/or to other transferees designated by or on behalf of the Co-Issuers.

Priority of Payments:

Application of Interest Proceeds .....

On each Payment Date, unless an Enforcement Event has occurred and is continuing, Interest Proceeds on deposit in the Collection Account, to the extent received on or before the related Determination Date (or if such Determination Date is not a Business Day, the next succeeding Business Day) and that are transferred into the Payment Account as described under "Security for the Secured Notes—The Collection Account and Payment Account", shall be applied in the following order of priority:

(A) (1) *first*, to the payment of taxes and governmental fees (including annual return and registered office fees) owing by the Issuer or the Co-Issuer or any capital contribution to a Blocker Subsidiary necessary to pay any taxes, registered office or governmental fees owing by such Blocker Subsidiary, (2) *second*, to the payment of the accrued and unpaid Administrative Expenses, in the priority stated in the definition thereof, up to the Administrative Expense Cap, and (3) third, if such Payment Date occurs prior to the Wind-down Date and the balance of all Eligible Investments and cash in the Expense Reserve Account on the related Determination Date is less than U.S.$50,000, for deposit to the Expense Reserve Account of an amount equal to such amount as will cause the balance of all Eligible Investments and cash in the Expense Reserve Account immediately after giving effect to such deposit to equal U.S.$50,000;

(B) to the payment of the Senior Collateral Management Fee (and any previously deferred Senior Collateral Management Fee) due and payable to the Collateral

Manager;

(C) to the payment, *pro rata* based on amounts due and *pari passu*, of:

(i) accrued and unpaid interest on the Class A1 Notes and the Class A-F Notes, *pro rata* based on amounts due; and

(ii) the sum of (a) the sum of (1) the Class AX Principal Amortization Amount for such Payment Date, if any, *plus* (2) any Unpaid Class AX Principal Amortization Amount as of such Payment Date *plus* (b) accrued and unpaid interest on the Class AX Notes; it being agreed and understood that any amount available to make the payments contemplated by this clause (C)(ii) will be allocated and applied *pro rata* between the amounts payable pursuant to subclause (a) (as a payment of the principal of the Class AX Notes) and subclause (b) (as a payment of interest on the Class AX Notes) of this clause (C)(ii);

(D) to the payment of accrued and unpaid interest on the Class B Notes;

(E) if either of the Class A/B Coverage Tests (except, in the case of the Interest Coverage Test, if such Payment Date is the first Payment Date after the Closing Date) is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause all Class A/B Coverage Tests that are applicable on such Payment Date to be satisfied on a pro forma basis after giving effect to all payments pursuant to this clause (E);

(F) to the payment of accrued and unpaid interest (excluding Secured Note Deferred Interest but including interest on Secured Note Deferred Interest) on the Class C Notes;

(G) if either of the Class C Coverage Tests (except, in the case of the Interest Coverage Test, if such Payment Date is the first Payment Date after the Closing Date) is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause the Class C Coverage Tests that are applicable on such Payment Date to be satisfied on a pro forma basis after giving effect to all payments pursuant to this clause (G);

(H) to the payment of any Secured Note Deferred Interest on the Class C Notes;

(I) to the payment of accrued and unpaid interest (excluding Secured Note Deferred Interest but including interest on Secured Note Deferred Interest) on the Class D Notes;

(J) if either of the Class D Coverage Tests (except, in the case of the Interest Coverage Test, if such Payment Date is the first Payment Date after the Closing Date) is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause all Class D Coverage Tests that are applicable on such Payment Date to be satisfied on a pro forma basis after giving effect to all payments pursuant to this clause (J);

(K) to the payment of any Secured Note Deferred Interest on the Class D Notes;

(L) to the payment of accrued and unpaid interest (excluding Secured Note Deferred Interest but including interest on Secured Note Deferred Interest) on the Class E Notes;

(M) if the Class E Coverage Test is not satisfied on the related Determination Date (except, in the case of the Interest Coverage Test, if such Payment Date is the first Payment Date after the Closing Date), to make payments in accordance with the Note Payment Sequence to the extent necessary to cause the Class E Coverage Test to be satisfied on a pro forma basis after giving effect to all payments pursuant to this clause (M);

(N) to the payment of any Secured Note Deferred Interest on the Class E Notes;

(O) if such Payment Date is the first Payment Date (but only if the Effective Date has not occurred on or prior to such date), for deposit to the Collection Account as Interest Proceeds all remaining Interest Proceeds;

(P) if, with respect to any Payment Date following the Effective Date, Moody's has not yet confirmed its initial rating of the Secured Notes as described in "Use of Proceeds-Effective Date" (unless the Issuer or the Collateral Manager has provided a Passing Report described in "Use of Proceeds—Effective Date" to Moody's and the Issuer has delivered an Effective Date Accountants' Certificate to the Trustee with the results of the Moody's Specified Tested Items indicating that each Moody's Specified Tested Item was satisfied), amounts available for distribution pursuant to this clause (P) shall be applied in accordance with the Note Payment Sequence on such Payment Date in an amount sufficient to cause Moody's to provide written

confirmation (which may take the form of a press release or other written communication) of its initial ratings of the Secured Notes;

(Q) during the Reinvestment Period, if the Interest Diversion Test is not satisfied on the related Determination Date, an amount equal to the Required Interest Diversion Amount to the Collection Account as Principal Proceeds for the purchase of additional Collateral Obligations;

(R) to the payment of the Subordinated Collateral Management Fee (and any previously deferred Subordinated Collateral Management Fee) due and payable to the Collateral Manager;

(S) to the payment (in the same manner and order of priority stated therein) of any Administrative Expenses not paid pursuant to clause (A)(2) above due to the limitation contained therein;

(T) to pay the Subordinated Note Issuing and Paying Agent for distribution to the Holders of the Subordinated Notes on a *pro rata* basis until the Subordinated Notes have realized a Subordinated Notes Internal Rate of Return of 12%; and

(U) any remaining Interest Proceeds to be paid (x) 20% to the Collateral Manager as part of the Incentive Collateral Management Fee payable on such Payment Date and (y) 80% to the Subordinated Note Issuing and Paying Agent for distribution to the holders of the Subordinated Notes on a *pro rata* basis.

Application of Principal Proceeds ..... On each Payment Date, unless an Enforcement Event has occurred and is continuing, Principal Proceeds on deposit in the Collection Account that are received on or before the related Determination Date and that are transferred to the Payment Account as described under "Security for the Secured Notes—The Collection Account and Payment Account" (which will not include (i) amounts required to meet funding requirements with respect to Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations that are deposited in the Revolver Funding Account or (ii) during the Reinvestment Period Interest Proceeds transferred to the Collection Account as Principal Proceeds pursuant to clause (Q) of "—Application of Interest Proceeds" and Principal Proceeds (and, after the Reinvestment Period, Eligible Post-Reinvestment Proceeds) that in each case have previously been reinvested in Collateral Obligations or that the Collateral Manager intends to invest in Collateral Obligations during the next Interest Accrual Period in accordance with the Investment Criteria) shall be applied in the following order of priority:

(A) to pay the amounts referred to in clauses (A)(1), (A)(2)

and (B) through (D) of "—Application of Interest Proceeds" (and in the same manner and order of priority stated therein), but only to the extent not paid in full thereunder;

(B) to pay the amounts referred to in clause (E) of "—Application of Interest Proceeds" but only to the extent any applicable Class A/B Coverage Test failure is not cured after giving effect to payments thereunder and to the extent necessary to cause the Class A/B Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date on a pro forma basis after giving effect to any payments made through this clause (B);

(C) to pay the amounts referred to in clause (F) of "—Application of Interest Proceeds" to the extent that (x) such amounts are not paid in full thereunder and (y) the Class C Notes are the Controlling Class;

(D) to pay the amounts referred to in clause (G) of "—Application of Interest Proceeds" but only to the extent any applicable Class C Coverage Test failure is not cured after giving effect to payments thereunder and to the extent necessary to cause the Class C Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date on a pro forma basis after giving effect to any payments made through this clause (D);

(E) to pay the amounts referred to in clause (H) of "—Application of Interest Proceeds" to the extent not paid in full thereunder only to the extent that the Class C Notes are the Controlling Class;

(F) to pay the amounts referred to in clause (I) of "—Application of Interest Proceeds" to the extent that (x) such amounts are not paid in full thereunder and (y) the Class D Notes are the Controlling Class;

(G) to pay the amounts referred to in clause (J) of "—Application of Interest Proceeds" but only to the extent any applicable Class D Coverage Test failure is not cured after giving effect to payments thereunder and to the extent necessary to cause the Class D Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date on a pro forma basis after giving effect to any payments made through this clause (G);

(H) to pay the amounts referred to in clause (K) of "—Application of Interest Proceeds" to the extent not paid in full thereunder only to the extent that the Class D Notes are the Controlling Class;

(I) to pay the amounts referred to in clause (L) of "—Application of Interest Proceeds" to the extent that (x) such amounts are not paid in full thereunder and (y) the Class E Notes are the Controlling Class;

(J) to pay the amounts referred to in clause (M) of "—Application of Interest Proceeds" but only to the extent any Class E Coverage Test failure is not cured after giving effect to payments thereunder and to the extent necessary to cause the Class E Coverage Test to be met as of the related Determination Date on a pro forma basis after giving effect to any payments made through this clause (J);

(K) to pay the amounts referred to in clause (N) of "—Application of Interest Proceeds" to the extent not paid in full thereunder only to the extent that the Class E Notes are the Controlling Class;

(L) with respect to any Payment Date following the Effective Date, if after the application of Interest Proceeds pursuant to clause (P) of "—Application of Interest Proceeds" Moody's has not yet confirmed its initial rating of the Secured Notes as described in "Use of Proceeds—Effective Date" (unless the Issuer or the Collateral Manager has provided a Passing Report described in "Use of Proceeds—Effective Date" to Moody's and the Issuer has delivered an Effective Date Accountants' Certificate to the Trustee with the results of the Moody's Specified Tested Items indicating that each Moody's Specified Tested Item was satisfied), amounts available for distribution pursuant to this clause (L) shall be applied in accordance with the Note Payment Sequence on such Payment Date in an amount sufficient to cause Moody's to provide written confirmation (which may take the form of a press release or other written communication) of its initial ratings of the Secured Notes;

(M) (1) if such Payment Date is a Redemption Date (other than in respect of a Special Redemption), to make payments in accordance with the Note Payment Sequence and (2) on any other Payment Date during the Reinvestment Period, to make payments in the amount, if any, of the Principal Proceeds that the Collateral Manager has determined cannot be reinvested in additional Collateral Obligations that are deemed appropriate by the Collateral Manager and meet the criteria for reinvestment described under "Security for the Secured Notes – Sale of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria", in each case, in accordance with the Note Payment Sequence;

(N) during the Reinvestment Period, to the Collection

Account as Principal Proceeds to invest in Eligible Investments (pending the purchase of additional Collateral Obligations) and/or to the purchase of additional Collateral Obligations in accordance with the Investment Criteria;

(O) after the Reinvestment Period, (x) in the case of Eligible Post-Reinvestment Proceeds, in the sole discretion of the Collateral Manager (with notice to the Trustee and the Collateral Administrator), to the Collection Account as Principal Proceeds to invest in Eligible Investments (pending the purchase of additional Collateral Obligations) and/or to the purchase of additional Collateral Obligations, in each case, so long as the Collateral Manager reasonably believes that the Issuer will be able to purchase the Collateral Obligations in accordance with "Security for the Secured Notes—Sales of Collateral Obligations; Purchases of additional Collateral Obligations and Investment Criteria—Investment Criteria" and (y) in the case of Eligible Post-Reinvestment Proceeds that the Collateral Manager has elected not to reinvest pursuant to clause (x) above or Principal Proceeds not constituting Eligible Post-Reinvestment Proceeds, to make payments in accordance with the Note Payment Sequence;

(P) after the Reinvestment Period, to pay the amounts referred to in clause (R) of "—Application of Interest Proceeds" only to the extent not already paid;

(Q) after the Reinvestment Period, to pay the amounts referred to in clause (A) or clause (S) of "—Application of Interest Proceeds" only to the extent not already paid (in the same manner and order of priority stated therein);

(R) to pay the Subordinated Note Issuing and Paying Agent for distribution to the Holders of the Subordinated Notes on a *pro rata* basis until the Subordinated Notes have realized a Subordinated Notes Internal Rate of Return of 12%; and

(S) any remaining proceeds to be paid (x) 20% to the Collateral Manager as part of the Incentive Collateral Management Fee payable on such Payment Date and (y) 80% to the Subordinated Note Issuing and Paying Agent for distribution to the Holders of the Subordinated Notes on a *pro rata* basis.

Special Priority of Payments ..... Upon the occurrence of an Enforcement Event, Interest Proceeds and Principal Proceeds will be applied in accordance with the Special Priority of Payments described under "Description of the Notes—Priority of Payments".

Note Payment Sequence..... The "**Note Payment Sequence**" shall be the application, in accordance with the Priority of Payments described above, of Interest Proceeds or Principal Proceeds, as applicable, in the following order:

(i) to the payment of principal of the Class A1 Notes and the Class A-F Notes (including any defaulted interest), *pro rata* based on their respective aggregate outstanding principal amounts, until the Class A1 Notes and the Class A-F Notes have been paid in full;

(ii) to the payment of principal of the Class AX Notes (including any defaulted interest) until the Class AX Notes have been paid in full;

(iii) to the payment of principal of the Class B Notes (including any defaulted interest) until the Class B Notes have been paid in full;

(iv) to the payment of accrued and unpaid interest (including any defaulted interest) on, and any Secured Note Deferred Interest in respect of, the Class C Notes until such amount has been paid in full;

(v) to the payment of principal of the Class C Notes until the Class C Notes have been paid in full;

(vi) to the payment of accrued and unpaid interest (including any defaulted interest) on, and any Secured Note Deferred Interest in respect of, the Class D Notes until such amount has been paid in full;

(vii) to the payment of principal of the Class D Notes until the Class D Notes have been paid in full;

(viii) to the payment of accrued and unpaid interest (including any defaulted interest) on, and any Secured Note Deferred Interest in respect of, the Class E Notes until such amount has been paid in full; and

(ix) to the payment of principal of the Class E Notes until the Class E Notes have been paid in full.

Management Fees: The Collateral Manager will be entitled on each Payment Date to receive (i) a Senior Collateral Management Fee equal to 0.20% per annum of the Fee Basis Amount at the beginning of the Collection Period related to such Payment Date, (ii) a Subordinated Collateral Management Fee equal to 0.15% per annum plus, if applicable, the Incremental Subordinated Collateral Manager Fee, in each case, of the Fee Basis Amount at the beginning of the Collection Period related to such Payment Date and (iii) an Incentive Collateral Management Fee in an amount equal to 20.0% of any remaining Interest Proceeds pursuant to clause (U) of the Priority of Payments as described in "—Priority of Payments—Application of Interest

	Proceeds" above, 20.0% of any remaining Principal Proceeds pursuant to clause (S) of the Priority of Payments as described in "—Priority of Payments—Application of Principal Proceeds" and 20.0% of any remaining proceeds of the Assets pursuant to clause (S) of the Special Priority of Payments as described in "Description of the Notes —Priority of Payments", in each case, calculated as described under "The Collateral Management Agreement" and subject to the limitations described under "The Collateral Management Agreement".
Collateral Management Agreement:	Pursuant to the Collateral Management Agreement, and subject to the limitations of the Indenture, the Collateral Manager will manage the selection, acquisition, reinvestment and disposition of the Assets, including exercising rights and remedies associated with the Assets, disposing of the Assets and certain related functions.
Security for the Secured Notes:	
General.....	The Secured Notes will be secured by the Assets, which include the various accounts pledged under the Indenture. In purchasing and selling Collateral Obligations, the Issuer will generally be required to meet certain requirements imposed by the Concentration Limitations described under "—Concentration Limitations", the Collateral Quality Test described under "—The Collateral Quality Test", the Coverage Tests described under "—Coverage Tests and Interest Diversion Test" and various other criteria described under "Security for the Secured Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria". Substantially all of the Collateral Obligations will be rated below investment grade and accordingly will have greater credit and liquidity risk than investment grade corporate obligations. See "Risk Factors-Relating to the Collateral Obligations—Below investment-grade Collateral Obligations involve particular risks". The initial portfolio of Collateral Obligations will be purchased and/or refinanced through the application of the net proceeds of the sale of the Notes. See "Risk Factors—Relating to the Collateral Obligations—Acquisition of initial Collateral Obligations before the Closing Date" and "Security for the Secured Notes—Collateral Obligations". During the Reinvestment Period, pending investment in such Collateral Obligations, a portion of such net proceeds will be invested in Eligible Investments. Each Collateral Obligation will be required to satisfy the criteria set forth in "Security for the Secured Notes—Collateral Obligations".
Purchase of Collateral Obligations; Effective Date:	The Issuer will use commercially reasonable efforts to purchase, on or before September 5, 2015, Collateral Obligations such that the Target Initial Par Condition is

satisfied. See "Use of Proceeds—Effective Date".

Collateral Quality Test:

The "**Collateral Quality Test**" will be satisfied on any date of determination on and after the Effective Date if, in the aggregate, the Collateral Obligations owned (or in relation to a proposed purchase of a Collateral Obligation, proposed to be owned) by the Issuer satisfy each of the tests set forth below (or, after the Effective Date in certain circumstances as described herein, if a test is not satisfied on such date of determination, the degree of compliance with such test is maintained or improved after giving effect to any purchase or sale effected on such date of determination):

(i) the Minimum Floating Spread Test;

(ii) the Maximum Moody's Rating Factor Test;

(iii) the Moody's Diversity Test;

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

(v) the Weighted Average Life Test; and

(vi) the Minimum Weighted Average Coupon Test.

The "**Minimum Floating Spread Test**" will be satisfied on any date of determination if the Weighted Average Floating Spread equals or exceeds the Minimum Floating Spread.

"**Minimum Floating Spread**" means the number set forth in the column entitled "Minimum Weighted Average Floating Spread" in the Minimum Diversity Score/Maximum Rating/Minimum Floating Spread Matrix set forth below based upon the applicable "row/column combination" chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture, reduced by the Moody's Weighted Average Recovery Adjustment; *provided* that the Minimum Floating Spread shall in no event be lower than 2.90%.

The "**Maximum Moody's Rating Factor Test**" will be satisfied on any date of determination if the Adjusted Weighted Average Moody's Rating Factor of the Collateral Obligations is less than or equal to the sum of (i) the number set forth in the Minimum Diversity Score/Maximum Rating/Minimum Floating Spread Matrix set forth below at the intersection of the applicable "row/column combination" chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture *plus* (ii) the Moody's Weighted Average Recovery Adjustment; *provided* that the Maximum Moody's Rating Factor Test shall in no event be greater than 3200.

The "**Moody's Weighted Average Recovery Adjustment**"

means, as of any date of determination, the greater of (a) zero and (b) the product of (i)(A) the Weighted Average Moody's Recovery Rate as of such date of determination *multiplied* by 100 *minus* (B) 45 and (ii) (A) with respect to the adjustment of the Maximum Moody's Rating Factor Test, 60 and (B) with respect to adjustment of the Minimum Floating Spread, 0.12%; *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%, then such Weighted Average Moody's Recovery Rate shall equal 60% unless the Moody's Rating Condition (if applicable) is satisfied; *provided further* that the amount specified in clause (b)(i) above may only be allocated once on any date of determination and the Collateral Manager shall designate to the Collateral Administrator in writing on each such date the portion of such amount that shall be allocated to clause (b)(ii)(A) and the portion of such amount that shall be allocated to clause (b)(ii)(B) (it being understood that, absent an express designation by the Collateral Manager, all such amounts shall be allocated to clause (b)(ii)(A)).

The "**Moody's Diversity Test**" will be satisfied on any date of determination if the Diversity Score (rounded to the nearest whole number) equals or exceeds the number set forth in the column entitled "Minimum Diversity Score" in the Minimum Diversity Score/Maximum Rating/Minimum Floating Spread Matrix set forth below based upon the applicable "row/column combination" chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture.

The "**Minimum Diversity Score/Maximum Rating/Minimum Floating Spread Matrix**" means the following chart used to determine which of the "row/column combinations" are applicable for purposes of determining compliance with the Moody's Diversity Test, the Maximum Moody's Rating Factor Test and the Minimum Floating Spread Test:

Minimum Weighted Average Floating Spread	**Minimum Diversity Score**								
	40	45	50	55	60	65	70	75	80
2.90%	1815	1840	1865	1890	1915	1940	1960	1980	2000
3.00%	1895	1920	1945	1970	1995	2020	2040	2060	2080
3.10%	1975	2000	2025	2050	2075	2100	2120	2140	2160
3.20%	2050	2075	2100	2125	2150	2175	2195	2215	2235
3.30%	2125	2150	2175	2200	2225	2250	2270	2290	2310
3.40%	2190	2215	2240	2265	2290	2315	2335	2355	2375
3.50%	2255	2280	2305	2330	2355	2380	2400	2420	2440

3.60%	2315	2340	2365	2390	2415	2440	2460	2480	2500
3.70%	2375	2400	2425	2450	2475	2500	2525	2550	2575
3.80%	2420	2445	2470	2495	2520	2545	2570	2595	2620
3.90%	2465	2490	2515	2540	2565	2590	2615	2640	2665
4.00%	2510	2535	2560	2585	2610	2635	2660	2685	2710
4.10%	2555	2580	2605	2630	2655	2680	2710	2740	2770
4.20%	2600	2625	2650	2675	2700	2725	2755	2785	2815
4.30%	2645	2670	2695	2720	2745	2770	2800	2830	2860
4.40%	2690	2715	2740	2765	2790	2815	2845	2875	2905
4.50%	2735	2760	2785	2810	2835	2860	2890	2920	2950
4.60%	2780	2805	2830	2855	2880	2905	2940	2975	3010
4.70%	2825	2850	2875	2900	2925	2950	2985	3020	3055
4.80%	2870	2895	2920	2945	2970	2995	3030	3065	3100
4.90%	2890	2940	2965	2990	3015	3040	3080	3120	3160

The "**Minimum Weighted Average Moody's Recovery Rate Test**" will be satisfied on any date of determination if the Weighted Average Moody's Recovery Rate equals or exceeds 45.0%.

The "**Weighted Average Life Test**" will be satisfied on any date of determination if the Weighted Average Life of all Collateral Obligations as of such date is less than the Maximum Weighted Average Life.

The "**Maximum Weighted Average Life**" is, as of any date of determination, the number of years set forth in the table below next to (i) if such date is a Weighted Average Life Determination Date, such Weighted Average Life Determination Date or (ii) if such date is not a Weighted Average Life Determination Date, the most recent Weighted Average Life Determination Date preceding such date of determination:

Weighted Average Life Determination Date	Maximum Weighted Average Life
May 14, 2015	8.00
June 14, 2015	7.92
July 14, 2015	7.83
August 14, 2015	7.75
September 14, 2015	7.67
October 14, 2015	7.58
November 14, 2015	7.50
December 14, 2015	7.42

January 14, 2016	7.33
February 14, 2016	7.25
March 14, 2016	7.17
April 14, 2016	7.08
May 14, 2016	7.00
June 14, 2016	6.92
July 14, 2016	6.83
August 14, 2016	6.75
September 14, 2016	6.67
October 14, 2016	6.58
November 14, 2016	6.50
December 14, 2016	6.42
January 14, 2017	6.33
February 14, 2017	6.25
March 14, 2017	6.17
April 14, 2017	6.08
May 14, 2017	6.00
June 14, 2017	5.92
July 14, 2017	5.83
August 14, 2017	5.75
September 14, 2017	5.67
October 14, 2017	5.58
November 14, 2017	5.50
December 14, 2017	5.42
January 14, 2018	5.33
February 14, 2018	5.25
March 14, 2018	5.17
April 14, 2018	5.08
May 14, 2018	5.00
June 14, 2018	4.92
July 14, 2018	4.83
August 14, 2018	4.75
September 14, 2018	4.67
October 14, 2018	4.58
November 14, 2018	4.50
December 14, 2018	4.42
January 14, 2019	4.33
February 14, 2019	4.25
March 14, 2019	4.17
April 14, 2019	4.08
May 14, 2019	4.00

June 14, 2019	3.92
July 14, 2019	3.83
August 14, 2019	3.75
September 14, 2019	3.67
October 14, 2019	3.58
November 14, 2019	3.50
December 14, 2019	3.42
January 14, 2020	3.33
February 14, 2020	3.25
March 14, 2020	3.17
April 14, 2020	3.08
May 14, 2020	3.00
June 14, 2020	2.92
July 14, 2020	2.83
August 14, 2020	2.75
September 14, 2020	2.67
October 14, 2020	2.58
November 14, 2020	2.50
December 14, 2020	2.42
January 14, 2021	2.33
February 14, 2021	2.25
March 14, 2021	2.17
April 14, 2021	2.08
May 14, 2021	2.00
June 14, 2021	1.92
July 14, 2021	1.83
August 14, 2021	1.75
September 14, 2021	1.67
October 14, 2021	1.58
November 14, 2021	1.50
December 14, 2021	1.42
January 14, 2022	1.33
February 14, 2022	1.25
March 14, 2022	1.17
April 14, 2022	1.08
May 14, 2022	1.00
June 14, 2022	0.92
July 14, 2022	0.83
August 14, 2022	0.75
September 14, 2022	0.67
October 14, 2022	0.58

November 14, 2022	0.50
December 14, 2022	0.42
January 14, 2023	0.33
February 14, 2023	0.25
March 14, 2023	0.17
April 14, 2023	0.08
May 14, 2023	0.00

The "**Minimum Weighted Average Coupon Test**" will be satisfied on any date of determination if the Weighted Average Coupon plus the Excess Weighted Average Floating Spread equals or exceeds 6.50%.

The "**Weighted Average Coupon**" is, as of any date of determination, 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 Obligations as of such date of determination (excluding any Defaulted Obligations).

The "**Excess Weighted Average Floating Spread**" is, as of any date of determination, a percentage equal to the number obtained by multiplying (i) the excess, if any, of the Weighted Average Floating Spread (without regard to the Excess Weighted Average Coupon (if any)) over the Minimum Floating Spread by (ii) the number obtained by dividing the Aggregate Principal Balance of all Floating Rate Obligations by the Aggregate Principal Balance of all Fixed Rate Obligations, in each case, excluding any Defaulted Obligations.

Concentration Limitations:

The "**Concentration Limitations**" will be satisfied on any date of determination on or after the Effective Date if, in the aggregate, the Collateral Obligations owned (or in relation to a proposed purchase of a Collateral Obligation, proposed to be owned) by the Issuer comply with all of the requirements set forth below (or in relation to a proposed purchase after the Effective Date in certain circumstances as described herein, if not in compliance, the relevant requirements must be maintained or improved after giving effect to the purchase):

Senior Secured Loans, Cash, Eligible Investments

(i) not less than 95.0% of the Collateral Principal Amount may consist of Senior Secured Loans, cash and Eligible Investments;

Second Lien Loans and Unsecured Loans

(ii) not more than 5.0% of the Collateral Principal Amount may consist, in the aggregate, of Second Lien Loans and Unsecured Loans;

Bonds

(iii) not more than 0.0% of the Collateral Principal Amount may consist of Bonds;

Single Obligor

(iv) not more than 1.5% of the Collateral Principal Amount may consist of obligations issued by a single obligor

and its Affiliates, except that, without duplication, obligations (other than DIP Collateral Obligations) issued by up to five obligors and their respective Affiliates may each constitute up to 2.0% of the Collateral Principal Amount;

Rating of "Caa1" or below

(v) not more 7.5% of the Collateral Principal Amount may consist of Collateral Obligations with a Moody's Rating of "Caa1" or below;

Rating of "CCC+" or below

(vi) not more than 7.5% of the Collateral Principal Amount may consist of Collateral Obligations with an S&P Rating of "CCC+" or below;

Interest Paid Less Frequently than Quarterly

(vii) not more than 5.0% of the Collateral Principal Amount may consist of Collateral Obligations that pay interest less frequently than quarterly;

Current Pay Obligations

(viii) not more than 5.0% of the Collateral Principal Amount may consist of Current Pay Obligations;

DIP Collateral Obligations

(ix) not more than 7.5% of the Collateral Principal Amount may consist of DIP Collateral Obligations;

Delayed Drawdown/ Revolving Collateral Obligations

(x) not more than 10.0% of the Collateral Principal Amount may consist, in the aggregate, of unfunded commitments under Delayed Drawdown Collateral Obligations and unfunded and funded commitments under Revolving Collateral Obligations and not more than 5.0% of the Collateral Principal Amount may consist of Revolving Collateral Obligations;

Participation Interests

(xi) not more than 10.0% of the Collateral Principal Amount may consist of Participation Interests;

Moody's Counterparty Criteria

(xii) the Moody's Counterparty Criteria are met;

Moody's Rating derived from an S&P Rating

(xiii) not more than 10.0% of the Collateral Principal Amount may consist of Collateral Obligations with a Moody's Rating or Moody's Default Probability Rating derived from an S&P Rating as provided in clauses (a)(i) or (ii) of the definition of the term "Moody's Derived Rating";

Domicile of Obligor

(xiv) (a) all of the Collateral Obligations must be issued by Non-Emerging Market Obligors and (b) no more than the percentage listed below of the Collateral Principal Amount may be issued by obligors Domiciled in the country or countries set forth opposite such percentage:

% Limit	**Country or Countries**
20.0%	All countries (in the aggregate) other than the United States;
15.0%	Canada;

	10.0%	all countries (in the aggregate) other than the United States, Canada and the United Kingdom;
	10.0%	any individual Group I Country other than Australia or New Zealand;
	7.5%	all Group II Countries in the aggregate;
	5.0%	any individual Group II Country;
	5.0%	all Group III Countries in the aggregate;
	5.0%	all Tax Jurisdictions in the aggregate;
	3.0%	any individual country other than the United States, the United Kingdom, Canada, the Netherlands, any Group II Country or any Group III Country; and
	0.0%	Spain, Portugal, Italy or Greece.

S&P Industry Classification (xv) not more than 10.0% of the Collateral Principal Amount may consist of Collateral Obligations that are issued by obligors that belong to any single S&P industry classification, except that (A) two S&P industry classifications may each represent up to 12.0% of the Collateral Principal Amount and (B) the largest S&P industry classification may represent up 13.0% of the Collateral Principal Amount;

Letters of Credit (xvi) not more than 0.0% of the Collateral Principal Amount may consist of letters of credit;

Cov-Lite Loans (xvii) not more than 50.0% of the Collateral Principal Amount may consist of Cov-Lite Loans;

Fixed Rate Obligations (xviii) not more than 5.0% of the Collateral Principal Amount may consist of Fixed Rate Obligations;

Deferrable Obligations (xix) not more than 0.0% of the Collateral Principal Amount may consist of Deferrable Obligations;

Structured Finance Obligations (xx) not more than 0.0% of the Collateral Principal Amount may consist of Structured Finance Obligations;

Bridge Loans (xxi) not more than 0.0% of the Collateral Principal Amount may consist of Bridge Loans;

Synthetic Securities (xxii) not more than 0.0% of the Collateral Principal Amount may consist of Synthetic Securities;

Middle Market Loans (xxiii) not more than 0.0% of the Collateral Principal Amount may consist of Middle Market Loans; and

Medium Tranche Loans

(xxiii) not more than 15.0% of the Collateral Principal Amount may consist of Medium Tranche Loans.

Coverage Tests and Interest Diversion Test:

Neither (A) the Aggregate Outstanding Amount of the Class AX Notes nor (B) the amount of interest due and payable on the Class AX Notes will be taken into account in determining any of the Coverage Tests or the Interest Diversion Test, as applicable, and, therefore, neither of such amounts will be taken into account in determining whether or not any of the Coverage Tests or the Interest Diversion Test (each of which are more fully described below) are satisfied at any time.

The Coverage Tests will be used primarily to determine whether principal and interest may be paid on the Secured Notes and distributions may be made on the Subordinated Notes or whether funds which would otherwise be used to pay interest on the Secured Notes other than the Class A1 Notes, the Class A-F Notes, the Class AX Notes and the Class B Notes and to make distributions on the Subordinated Notes must instead be used to pay principal on one or more Classes of Secured Notes according to the priorities referred to in "Summary of Terms—Priority of Payments". The "**Coverage Tests**" will consist of the Overcollateralization Ratio Test and the Interest Coverage Test, each as applied to each specified Class or Classes of Secured Notes (other than the Class AX Notes). In addition, the Interest Diversion Test, which is not a Coverage Test, will apply as described herein.

The "**Overcollateralization Ratio Test**" and "**Interest Coverage Test**" applicable to the indicated Class or Classes of Secured Notes will be satisfied as of any date of determination on which such Coverage Test is applicable, if (l) the applicable Overcollateralization Ratio or Interest Coverage Ratio, as the case may be, is at least equal to the applicable ratio indicated below or (2) such Class or Classes of Secured Notes is no longer outstanding.

Class	Required Overcollateralization Ratio
A/B (in aggregate and not separately by Class)	124.0%
C	116.1%
D	109.5%
E	104.5%
Class	**Required Interest Coverage Ratio**
A/B (in aggregate and not separately by Class)	120.0%
C	115.0%
D	110.0%
E	105.0%

If an applicable Coverage Test is not satisfied on any applicable Determination Date, the Issuer will be required to apply available amounts in the Payment Account on the related

Payment Date to the repayment of principal of the Secured Notes in accordance with the Priority of Payments to the extent necessary to achieve compliance with such Coverage Test.

Measurement of the degree of compliance with the Coverage Tests will be required as of each Measurement Date occurring (i) in the case of the Overcollateralization Ratio Tests, on or after the Effective Date and (ii) in the case of the Interest Coverage Tests, on or after the Determination Date immediately preceding the second Payment Date. If the Coverage Tests are not satisfied on any such Measurement Date, the Issuer will be required to apply available amounts in the Payment Account on the related Payment Date to the repayment of principal of the Secured Notes in accordance with the Priority of Payments to the extent necessary to achieve compliance with such Coverage Tests.

The "**Interest Diversion Test**" is a test that is satisfied as of any Measurement Date during the Reinvestment Period on which the Class E Notes remain outstanding if the Overcollateralization Ratio with respect to the Class E Notes as of such Measurement Date is at least equal to 105.5%.

Other Information:

Listing, Trading and Form of Notes ..... Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its GEM. There can be no assurance that any such listing will be maintained. See "Listing and General Information". There is currently no market for any Class of Notes and there can be no assurance that such a market will develop. See "Risk Factors—Relating to the Notes—The Notes will have limited liquidity and are subject to substantial transfer restrictions".

The Notes (other than Post-Closing ERISA Notes) sold to (i) persons who are Qualified Institutional Buyers and Qualified Purchasers (or entities owned or beneficially owned exclusively by Qualified Purchasers) and (ii) non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act will, in each case, be represented by global notes or certificates in fully registered form without interest coupons to be deposited with a custodian for and registered in the name of Cede & Co., c/o The Depository Trust & Clearing Corporation, 55 Water Street, New York, NY 10041, telephone (212) 855-5471. The ERISA Restricted Notes that are (i) Post-Closing ERISA Notes or (ii) sold to U.S. persons that are not Qualified Institutional Buyers and Qualified Purchasers (or entities owned or beneficially owned exclusively by Qualified Purchasers) will, in each case, be issued in definitive, fully registered form without interest coupons.

Governing Law..... The Notes, the Indenture and the Subordinated Note Issuing and Paying Agency Agreement, and any matters arising out of or relating in any way whatsoever to any of the Notes, the Indenture or the Subordinated Note Issuing and Paying Agency

	Agreement (whether in contract, tort or otherwise), will be governed by the laws of the State of New York.
Tax Matters.....	See "U.S. Federal Income Tax Considerations" and "Cayman Islands Income Tax Considerations".
ERISA.....	See "Certain ERISA and Related Considerations".

RISK FACTORS

An investment in the Notes involves certain risks. You should carefully consider the following factors, in addition to the matters set forth elsewhere in this Offering Circular, prior to investing in the Notes.

General Economic Risks.

General economic conditions may affect the ability of the Co-Issuers to make payments on the Notes.

Significant risks may exist for the Issuer and investors in the Notes as a result of uncertain general economic conditions. These risks include, among others, (i) the possibility that, on or after the Closing Date, the prices at which Collateral Obligations can be sold by the Issuer will have deteriorated from their effective purchase price, (ii) the illiquidity of the Notes, as there may be no secondary trading in the Notes and (iii) the possibility of a decline in the market value of the Notes. These risks may affect the returns on the Notes to investors and the ability of investors to realize their investment in the Notes prior to the Stated Maturity, if at all. In addition, the primary market for a number of financial products including leveraged loans may be volatile, and the level of new issuances may be uncertain and may vary based on a number of factors, including general economic conditions. As well as reducing opportunities for the Issuer to purchase assets in the primary market, this may increase reinvestment or refinancing risk in respect of maturing Collateral Obligations. These additional risks may affect the returns on the Notes to investors and could further slow, delay or reverse an economic recovery and cause a further deterioration in loan performance generally. Limitations on the amount of available credit in the market may have an adverse impact on general economic conditions that affect the performance of the Assets. The slowdown in growth or commencement of a recession would be expected to have an adverse effect on the ability of businesses to repay or refinance their existing debt. Adverse macroeconomic conditions may adversely affect the rating, performance and the realization value of the Assets. It is possible that the Assets will experience higher default rates than anticipated and that performance will suffer.

In recent years, some leading global financial institutions have been forced into mergers with other financial institutions, have been partially or fully nationalized or have become bankrupt or insolvent. The bankruptcy or insolvency of a major financial institution may have an adverse effect on the Issuer, particularly if such financial institution is the administrative agent of a leveraged loan or is a selling institution with respect to a participation. In addition, the bankruptcy, insolvency or financial distress of one or more additional financial institutions, or one or more sovereigns, may trigger additional crises in the global credit markets and overall economy which could have a significant adverse effect on the Issuer, the Assets and the Notes.

The market value and performance of the Collateral Obligations and the Notes may be adversely impacted by current and future economic conditions, including perceptions of potential, current or future conditions, market trading imbalances or technical dislocation. To the extent that economic and business conditions fail to improve or deteriorate further, the levels of defaults and delinquencies are likely to increase and market values may decrease or not fully recover, which may adversely affect the amount of Sale Proceeds that could be obtained upon the sale of the Collateral Obligations and could adversely impact the ability of the Issuer to make payments on the Notes.

Changes in the legislative and regulatory environment may affect the ability of the Co-Issuers to make payments on the Notes and result in enhanced scrutiny of the private investment fund industry.

Recent changes in legislation, together with uncertainty about the nature and timing of regulations that will be promulgated to implement such legislation, may create uncertainty in the credit and other financial markets and create other unknown risks. In particular, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), which was signed into law on July 21, 2010, includes provisions that are expected to have a broad impact on credit and other financial markets. The ability of the Co-Issuers to make payments on the Notes could be affected by the Dodd-Frank Act and other recent legislation, regulations already promulgated thereunder and uncertainty about additional regulations to be promulgated thereunder in the future.

The Dodd-Frank Act provides for a number of changes to the regulatory regime governing investment advisers and private investment funds, including the Collateral Manager and the Issuer. Among other effects, the Dodd-Frank Act imposes increased recordkeeping and reporting obligations on investment advisers registered under the Investment Advisers Act. As a result of the implementation of the Dodd-Frank Act and certain rules and regulations thereunder, the Collateral Manager has registered as an investment adviser under the Investment Advisers Act. Following such registration, the Collateral Manager is now subject to such increased recordkeeping and reporting obligations. The records and reports relating to the Issuer that must be maintained by a registered investment adviser and are subject to inspection by the United States Securities and Exchange Commission ("**SEC**") include (i) assets under management and use of leverage (including off-balance-sheet leverage), (ii) counterparty credit risk exposure, (iii) trading and investment positions, (iv) valuation policies and practices of the Issuer, (v) type of assets held, (vi) side arrangements or side letters, (vii) trading practices, and (viii) such other information as the SEC, in consultation with the Financial Stability Oversight Council, determines is necessary and appropriate. While the Dodd-Frank Act subjects such records and reports to certain confidentiality provisions and provides an exemption from the Freedom of Information Act, no assurance can be given that the mandated disclosure of records or reports to the SEC or other governmental entities will not have a significant negative impact on the Issuer, the Collateral Manager or any individual holder of Notes. In addition, as a registered investment adviser the Collateral Manager will be required to devote additional management and employee resources to such record keeping and reporting and other compliance obligations which could have an adverse impact on its management of the portfolio of Collateral Obligations for the Issuer.

Additionally, on October 21, 2014, U.S. regulators approved credit risk retention rules under Section 941 of the Dodd-Frank Act (the "**U.S. Risk Retention Rules**") which requires securitizers of asset-backed securities such as managers of CLOs to retain an economic interest in a material portion of the credit risk associated with the assets that such securitizer transfers, sells or conveys , or, in the case of a manager of a CLO, causes to be transferred, sold or conveyed, to the issuer of asset-backed securities. The U.S. Risk Retention Rules require the manager of a CLO, such as the Collateral Manager, to retain an interest in at least 5% of the fair value of the credit risk of assets collateralizing the asset-backed securities and allow the manager to meet such risk retention requirement by a variety of methods. Further, such U.S. Risk Retention Rules prohibit a manager of a CLO from directly or indirectly hedging or otherwise transferring the credit risk it is required to retain under Section 941. These U.S. Risk Retention Rules were published in the Federal Register on December 24, 2014 and will be effective with respect to covered transactions which are consummated on or after December 24, 2016. Given the broad scope and sweeping nature of these U.S. Risk Retention Rules under the Dodd-Frank Act and considering the U.S. Risk Retention Rules may still be subject to further review and modification, these U.S. Risk Retention Rules may have a significant impact, which is currently unknown, on the actions of the Issuer, the Collateral Manager, any of the Collateral Obligations, any owners of the Notes or the CLO market generally and could have a material adverse effect on the business of the Issuer, the business of the Collateral Manager and/or the value or marketability of the Notes.

Furthermore, U.S. banking supervisors have recently implemented regulations that will increase the costs of owning CLO securities for certain large financial institutions subject to these rules. These regulations include increased requirements for the amount of capital required by large banks and an increase in the assessment imposed by the Federal Deposit Insurance Corporation for deposit insurance in connection with owning certain securitization assets, including CLO securities. Banks subject to one or both of these regulations may be deterred from purchasing the Notes. This may adversely affect the liquidity of the Notes in the secondary market.

In addition, proposed changes to Regulation AB under the Securities Act have the potential to impose new disclosure requirements that could restrict the use of this Offering Circular or require the publication of a new offering circular in connection with the issuance and sale of any additional Notes or any Refinancing.

Moreover, the Financial Accounting Standards Board has adopted changes to the accounting standards for structured products. These changes, or any future changes, may affect the accounting for entities such as the issuing entity, could under certain circumstances require an investor or its owner generally to consolidate the assets of the issuing entity in its financial statements and record third parties' investments in the Issuer as liabilities of that investor or owner or could otherwise adversely affect the manner in which the investor or its owner must report an investment in Notes for financial reporting purposes.

Illiquidity in the leveraged finance and fixed income markets may affect the holders of the Notes.

The financial markets have experienced substantial fluctuations in prices for leveraged loans and high-yield debt securities and limited liquidity for such instruments. During periods of limited liquidity and higher price volatility, the Issuer's ability to acquire or dispose of Collateral Obligations at a price and time that the Issuer deems advantageous may be severely impaired. As a result, in periods of rising market prices, the Issuer may be unable to participate in price increases fully to the extent that it is unable to acquire desired positions quickly; and the Issuer's inability to dispose fully and promptly of positions in declining markets will cause its net asset value to decline as the value of unsold positions is marked to lower prices and may exacerbate losses suffered by the Issuer when Collateral Obligations are sold. Furthermore, significant additional liquidity-related risks for the Issuer and investors in the Notes exist. Those risks include, among others, (i) the possibility that, after the Closing Date, the prices at which Collateral Obligations can be sold by the Issuer will have deteriorated from their effective purchase price, (ii) the possibility that opportunities for the Issuer to sell its assets in the secondary market, including Credit Risk Obligations, Credit Improved Obligations and Defaulted Obligations, may be impaired, and (iii) increased illiquidity of the Notes because of reduced secondary trading in collateralized loan obligation securities. These additional risks may affect the returns on the Notes to investors or otherwise adversely affect holders of the Notes.

Regardless of current or future market conditions, certain Collateral Obligations purchased by the Issuer will have only a limited trading market or no trading market. The Issuer's investment in illiquid debt obligations may restrict its ability to dispose of investments in a timely fashion and for a fair price, as well as its ability to take advantage of market opportunities. Illiquid debt obligations may trade at a discount from comparable, more liquid investments.

In addition, adverse developments in the primary market for leveraged loans may reduce opportunities for the Issuer to purchase new issuances of Collateral Obligations. More particularly, the ability of private equity sponsors and leveraged loan arrangers to effectuate new leveraged buy-outs and the ability of the Issuer to purchase such assets may be partially or significantly limited. The impact of the liquidity crisis on the global credit markets may adversely affect the management flexibility of the Collateral Manager in relation to the portfolio and, ultimately, the returns on the Notes to investors.

Conditions in Europe may adversely affect holders of Notes.

Certain of the Collateral Obligations may be issued by obligors located in the European Union ("**EU**") or otherwise affected by the strength of the euro. European financial markets have experienced volatility and have been adversely affected by concerns about rising government debt levels, credit rating downgrades and possible default on or restructuring of government debt. These events have caused bond yield spreads (the cost of borrowing debt in the capital markets) and credit default spreads (the cost of purchasing credit protection) to increase, most notably in relation to certain eurozone countries. The governments of several member countries of the EU have experienced large public budget deficits, which have adversely affected the sovereign debt issued by those countries and may ultimately lead to declines in the value of the euro. It is possible that countries that have already adopted the euro could abandon the euro and return to a national currency and/or that the euro will cease to exist as a single currency in its current form. The effects on a country of abandonment of the euro or a country's forced expulsion from the EU are impossible to predict, but are likely to be negative. The exit of any country out of the EU or the abandonment by any country of the euro would likely have a destabilizing effect on all eurozone countries and their economies and a negative effect on the global economy as a whole. Although all Collateral Obligations must be U.S. dollar denominated, the effect of such potential events on the obligors, Collateral Obligations, the Issuer or on the Notes is impossible to predict.

Relating to the Notes.

The Notes will have limited liquidity and are subject to substantial transfer restrictions.

Currently, no market exists for the Notes. Although Jefferies may from time to time make a market in certain Classes of the Notes, Jefferies is not under any obligation to make a market for any Class of the Notes, and following the commencement of any such market-making, may discontinue the same at any time without prior

notice. 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 holders of the Notes with liquidity of investment, or will continue for the life of the Notes. Consequently, a purchaser of Notes must be prepared to hold the Notes for an indefinite period of time or until their Stated Maturity. The Notes will not be registered under the Securities Act or any state securities laws, and neither the Issuer nor the Co-Issuer has plans or is under any obligation, to register the Notes under the Securities Act. As a result, the Notes are subject to certain transfer restrictions and can only be transferred to certain transferees as described herein under "Transfer Restrictions". As described herein, the Issuer may, in the future, impose additional restrictions to comply with changes in applicable law. Such restrictions on the transfer of the Notes may further limit their liquidity.

Impact of the Volcker Rule on the Liquidity of the Notes.

Section 619 of the Dodd-Frank Act added a provision, commonly referred to (together with the final regulations with respect thereto adopted on December 10, 2013) as the "**Volcker Rule**", to federal banking laws to generally prohibit various covered banking entities from engaging in proprietary trading or acquiring or retaining an ownership interest in, sponsoring or having certain relationships with a hedge fund or a private equity fund, subject to certain exceptions. Banking entities that are subject to the Volcker Rule have until July 21, 2015 to bring any existing activities and investments into compliance, subject to up to two one-year extensions at the discretion of any such banking entity's appropriate U.S. federal banking agency upon a determination that an extension would not be detrimental to the public interest. Although not required by the implementing regulations adopted December 10, 2013, the order issued by the U.S. Federal Reserve extending the conformance period to July 21, 2015 requires that banking entities develop and implement a conformance plan to terminate prohibited activities and divest impermissible investments by the end of the conformance period. In addition, by statement on April 7, 2014, the U.S. Federal Reserve indicated that it intends to grant two additional one-year extensions, to July 21, 2017 for banks holding non-compliant collateralized loan obligations issued prior to December 31, 2013 to conform. Banks are expected to establish their compliance programs "as soon as practicable and in no case later than the end of the conformance period".

The Volcker Rule includes as a "covered fund" any entity that would be an investment company but for the exemptions provided by Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act. Therefore, absent an exemption, the Issuer would be a covered fund. The Issuer believes and expects that it will not be a covered fund by virtue of its qualification for the "loan securitization exemption," which applies to an asset-backed security issuer the assets of which, in general, consist only of loans, assets or rights (including certain types of securities) designed to assure the servicing or timely distribution of proceeds to holders or that are related or incidental to purchasing or otherwise acquiring and holding the loans. In order to qualify for the loan securitization exemption, the Issuer will not be permitted to purchase any Bonds or any Eligible Investments that are not "cash equivalents" as defined in and subject to the Volcker Rule. This may limit or reduce the returns available to the holders of the Notes, especially the Subordinated Notes. If, despite the Issuer's belief and expectation to the contrary, it is ultimately determined that the Issuer no longer qualifies for the loan securitization exemption and is deemed a covered fund, there would be limitations on the ability of banking entities to purchase or retain any Classes of Notes deemed to be "ownership interests", which would be expected to include the Subordinated Notes, but based on certain rights and remedies of the holders of the Secured Notes could also potentially include other Classes. Depending on market conditions, this could significantly and negatively affect the liquidity and market value of the affected Classes of Notes.

Recent European risk retention rules may affect the liquidity of the Notes.

Regulation (EU) No. 575/2013 ("**CRR**") took effect on January 1, 2014. The CRR applies to (a) credit institutions established in a Member State of the European Economic Area (the "**EEA**") and consolidated group affiliates thereof (including those that are based in the United States) and (b) investment firms (each an "**Affected CRR Investor**") that invest in or have an exposure to credit risk in securitizations. The CRR imposes an increased capital charge on a securitization exposure acquired by an Affected CRR Investor unless, among other conditions, (a) the originator, sponsor or original lender for the securitization has explicitly disclosed that it will retain on an ongoing basis, a material net economic interest of not less than 5%, of certain specified credit risk tranches or asset exposures, and (b) the Affected CRR Investor is able to demonstrate that it has undertaken certain due diligence in respect of its securitization position and the underlying exposures and that procedures are established for monitoring

the performance of the underlying exposures on an on-going basis. Pursuant to Article 410 of the CRR regulatory technical standards were required to specify in greater detail certain aspects of the CRR and Commission Delegated Regulation (EU) No 625/2014 specifying the regulatory technical standards in relation to the CRR (the "**Regulatory Technical Standards**") came into force on July 3, 2014.

On July 22, 2013, EU Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**") became effective. Article 17 of AIFMD required the EU Commission to adopt level 2 measures similar to the CRR Retention Requirements, permitting EEA managers of alternative investment funds ("**AIFMs**") to invest in securitizations on behalf of the alternative investment funds ("**AIFs**") they manage only if the originator, sponsor or original lender has explicitly disclosed that it will retain on an ongoing basis, a material net economic interest of not less than 5% of the nominal value of the securitized exposures or of the tranches sold to investors and also to undertake certain due diligence requirements. Commission Delegated Regulation 231/2013 (the "**AIFMD Level 2 Regulation**") included those level 2 measures. Though the requirements in the AIFMD Level 2 Regulation are similar to those which apply under the CRR Retention Requirements, they are not identical. The requirements of the AIFMD Level 2 Regulation apply to new securitizations issued on or after January 1, 2011.

The risk retention and due diligence requirements described above apply, or are expected to apply, in respect of the Notes. No originator, sponsor or original lender will however retain or commit to retain a 5% net economic interest with respect to the Notes or the Collateral Obligations for the purposes of the CRR or AIFMD. The absence of any such commitment to retain means that the requirements of the CRR or AIFMD cannot be met in respect of the Notes and is expected to deter investors subject to such regulation and their Affiliates from investing in the Notes. This lack of suitability could impair the marketing and liquidity of the Notes.

In addition, AIFMD provides that AIFs must have a designated AIFM with responsibility for portfolio and risk management. Although the portfolio and risk management provisions of AIFMD apply only to EEA AIFMs when managing any AIF, the disclosure and transparency requirements of AIFMD will apply to any non-EEA AIFs which are to be marketed in the EEA after July 22, 2013 (subject to any applicable transitional period for AIFs which commenced marketing prior to July 22, 2013 and subject to the implementation of AIFMD under national law). The Issuer expects to be exempt from AIFMD as a "securitization special purpose entity". In the United Kingdom, the Financial Conduct Authority (the "**FCA**") has issued a policy statement in relation to the implementation of AIFMD in the United Kingdom, which in effect confirms that the FCA regards any issue of debt securities which does not constitute a "collective investment scheme" (within the meaning of section 235 of the Financial Services and Markets Act 2000) as similarly falling outside the scope of the AIFMD. However, in providing such guidance, the FCA referred to the possibility that the European Securities and Markets Authority ("**ESMA**") will, in due course, provide guidance on the meaning of a "securitization special purpose entity" under the AIFMD. ESMA has not yet given any formal guidance on the application of this exemption. If AIFMD were to apply to the Issuer as a non- EEA AIF and any marketing of the Notes were engaged in the EEA, the Collateral Manager may prior to any such marketing being undertaken need to comply with registration and ongoing transparency and reporting requirements imposed by countries that have implemented the AIFMD. This may lead to increased costs associated with the marketing of the Notes in the EEA.

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

Affected Investors should therefore make themselves aware of the requirements of the applicable legislation governing retention and due diligence requirements for investing in securitizations (and any

implementing rules in relation to a relevant jurisdiction) in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes.

Jefferies will have no ongoing responsibility for the Assets or the actions of the Collateral Manager or the Issuer.

Jefferies will have no obligation to monitor the performance of the Assets or the actions of the Collateral Manager or the Issuer and will have 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 (to the extent set forth in the Collateral Management Agreement) and /or the Issuer, as the case may be. If Jefferies owns Notes, it will have no responsibility to consider the interests of any holders of Notes in actions it takes in such capacity. While Jefferies may own Notes at any time, it has no obligation to make any investment in any Notes and may sell at any time any Notes it does purchase.

The Notes are limited recourse obligations; investors must rely on available collections from the Collateral Obligations and will have no other source for payment.

The Secured Notes other than the Class E Notes are limited recourse obligations of the Co-Issuers, and the Class E Notes and the Subordinated Notes are limited recourse obligations of the Issuer. The Notes are payable solely from proceeds of the Collateral Obligations and all other Assets pledged by the Co-Issuers to the holders of the Secured Notes and other secured parties (but not including holders of the Subordinated Notes) pursuant to the Indenture. None of the Trustee, the Subordinated Note Issuing and Paying Agent, the Collateral Administrator, the Collateral Manager, Jefferies or any of their respective Affiliates or the Co-Issuers' Affiliates or any other Person or entity will be obligated to make payments on the Notes. Consequently, holders of the Notes must rely solely on distributions on the Assets for payments on the Notes. If distributions on such Assets are insufficient to make payments on the Notes, no other assets (in particular, no assets of the Collateral Manager, the holders of the Notes, Jefferies, the Trustee, the Subordinated Note Issuing and Paying Agent, the Collateral Administrator or any Affiliates of any of the foregoing) will be available for payment of the deficiency and all obligations of the Co-Issuers and any claims against the Co-Issuers in respect of the Notes will be extinguished and will not revive.

The Subordinated Notes are unsecured obligations of the Issuer.

The Subordinated Notes will not be secured by any of the Assets, and, while the Secured Notes are outstanding, holders of the Subordinated Notes will not generally be entitled to exercise remedies under the Indenture or the Subordinated Note Issuing and Paying Agency Agreement. However, in any case where the holders of the Subordinated Notes are entitled to take or direct any action they may do so in their sole discretion without regard for the interests of holders of any other Class of Notes. The Subordinated Note Issuing and Paying Agent will have no obligation to act on behalf of the holders of Subordinated Notes except as expressly provided in the Subordinated Note Issuing and Paying Agency Agreement and the Trustee will have no obligation to act on behalf of the holders of Subordinated Notes except as provided in the Indenture. Distributions to holders of the Subordinated Notes will be made solely from distributions on the Assets after all other payments have been made pursuant to the Priority of Payments described herein. See "Description of the Notes—Priority of Payments". There can be no assurance that the distributions on the Assets will be sufficient to make distributions to holders of the Subordinated Notes after making payments that rank senior to payments on the Subordinated Notes. The Issuer's ability to make distributions to the holders of the Subordinated Notes will be limited by the terms of the Indenture and the Subordinated Note Issuing and Paying Agency Agreement. If distributions on the Assets are insufficient to make distributions on the Subordinated Notes, no other assets will be available for any such distributions. See "Description of the Notes—The Subordinated Notes".

The subordination 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, as described below, will affect their right to payment.

The Class A Notes, which are *pari passu* with respect to each other except as otherwise described below, are subordinated to certain amounts payable by the Issuer to other parties as set forth in the Priority of Payments (including taxes, certain Administrative Expenses and the Senior Collateral Management Fee), the Class B Notes are

subordinated on each Payment Date to the Class A Notes and amounts to which the Class A Notes are subordinate; the Class C Notes are subordinated on each Payment Date to the Class B Notes and amounts to which the Class B Notes are subordinate; the Class D Notes are subordinated on each Payment Date to the Class C Notes and amounts to which the Class C Notes are subordinate; the Class E Notes are subordinated on each Payment Date to the Class D Notes and amounts to which the Class D Notes are subordinate; and the Subordinated Notes are subordinated on each Payment Date to the Secured Notes, amounts to which the Secured Notes are subordinate and certain other fees and expenses (including, but not limited to, the diversion of Interest Proceeds during the Reinvestment Period to the Collection Account as Principal Proceeds for the purchase of additional Collateral Obligations if the Interest Diversion Test is not satisfied or to redeem Secured Notes if a Moody's Ramp-Up Failure occurs and is continuing, unpaid Administrative Expenses, including unexpected liabilities that may become payable by the Issuer or the Co-Issuer, whether by reason of the offering contemplated hereby or otherwise, and certain Management Fees), in each case to the extent described herein. No payments of interest or distributions from Interest Proceeds of any kind will be made on any such Class of Notes on any Payment Date until interest due on the Notes of each Class to which it is subordinated has been paid in full and no payments of principal or distributions from Principal Proceeds of any kind will be made on the Class B Notes, the Class C Notes, the Class D Notes or the Class E Notes on any Payment Date until principal on the Notes of each Class to which it is subordinated has been paid in full; *provided* that on any Payment Date (other than a Payment Date following an Enforcement Event for which payments are made pursuant to the Special Priority of Payments) distributions from Principal Proceeds may be made to pay interest on the Class B Notes to the extent Interest Proceeds are not available therefor in accordance with the Priority of Payments prior to payment in full of all principal of the Class A Notes. Beginning on the fourth Payment Date following the Closing Date and through and including the date on which the Reinvestment Period ends, Principal on the Class AX Notes will be payable, *first*, from Interest Proceeds and, *second*, from Principal Proceeds to the extent not paid in full with Interest Proceeds in accordance with the Priority of Payments. Except as described in "Summary of Terms-Priority of Payments", principal payments will not be made on the Class A1 Notes or the Class A-F Notes, during such period from Interest Proceeds and will be paid from Principal Proceeds after payment of the Class AX Principal Amortization Amount in accordance with the Priority of Payments. In addition, no distributions from Principal Proceeds of any kind will be made on the Subordinated Notes on any Payment Date until interest due on and all principal of the Secured Notes of each Class has been paid in full. Therefore, generally, to the extent that any losses are suffered by any of the holders of any Notes, such losses will be borne in the first instance by holders of the Subordinated Notes, then by the holders of the Class E Notes, then by the holders of the Class D Notes, then by the holders of the Class C Notes, then by the holders of the Class B Notes and last by the holders of the Class A Notes. Furthermore, payments which would otherwise be made on the Class C Notes, the Class D Notes and the Class E Notes will be used to pay more senior Classes of Notes pursuant to the Priority of Payments if certain Coverage Tests are not met, as described herein, and failure to make such payments will not be a default under the Indenture. In addition, if an Event of Default occurs, the holders of the Controlling Class will be entitled to determine the remedies to be exercised under the Indenture. See "Description of the Notes—The Indenture- Events of Default". Remedies pursued by the holders of the Controlling Class could be adverse to the interests of the holders of the Notes that are subordinated to the Controlling Class, and the holders of the Controlling Class will have no obligation to consider any possible adverse effect on such other interests. See "—The holders of the Controlling Class will control many rights under the Indenture and therefore, holders of subordinate Classes will have limited rights in connection with an Event of Default, Enforcement Event or distributions thereunder".

If an Event of Default has occurred and has not been cured or waived and acceleration occurs in accordance with the Indenture, the most senior Class of Notes then outstanding shall be paid in full in cash or, to the extent the Majority of such Class consents, other than in cash, before any further payment or distribution is made on account of any more subordinate Classes, in each case in accordance with the Special Priority of Payments. Upon such an acceleration, investors in any such subordinate Class of Notes will not receive any payments until such senior Classes of Notes are paid in full (for which purpose, the Class A1 Notes, the Class A-F Notes and the Class AX Notes shall rank *pari passu*). If an Event of Default has occurred, but the Assets (to the extent any such asset is a security) have not been liquidated and the Notes have not been accelerated, payments on the Notes will continue to be made in the order of priority described under "Summary of Terms—Priority of Payments—Application of Interest Proceeds" and "Summary of Terms—Priority of Payments—Application of Principal Proceeds". There can be no assurance that, after payment of principal and interest on the Notes senior to any Class of Notes, the Issuer will have sufficient funds to make payments in respect of such Class of Notes.

Under the Indenture, the Secured Notes will not be subject to acceleration by the Trustee or a Majority of the Controlling Class solely as a result of the failure to pay (i) at any time when the Class A Notes (excluding the Class AX Notes) are the Controlling Class, any amount due on any Notes other than the Class A1 Notes, the Class A-F Notes, the Class AX Notes or the Class B Notes or (ii) at any other time, any amount due on any Notes that are not of the Controlling Class. See "Description of the Notes—The Indenture—Events of Default".

The Subordinated Notes are highly leveraged, which increases risks to investors in the Subordinated Notes.

The Subordinated Notes represent a highly leveraged investment in the Assets. Therefore, the market value of the Subordinated Notes would be anticipated to be significantly affected by, among other things, changes in the market value of the Assets, changes in the distributions on the Assets, defaults and recoveries on the Assets, capital gains and losses on the Assets, prepayments on Assets and the availability, prices and interest rates of Assets and other risks associated with the Assets as described in "—Relating to the Collateral Obligations". Accordingly, the Subordinated Notes may not be paid in full and may be subject to up to 100% loss. Furthermore, the leveraged nature of the Subordinated Notes may magnify the adverse impact on the Subordinated Notes of changes in the market value of the Assets, changes in the distributions on the Assets, defaults and recoveries on the Assets, capital gains and losses on the Assets, prepayments on Assets and availability, prices and interest rates of Assets.

The Assets may be insufficient to redeem the Notes in an Event of Default.

It is anticipated that the proceeds received by the Issuer on the Closing Date from the issuance of the Notes, net of certain fees and expenses, will be less than the aggregate amount of Notes. Consequently, it is anticipated that on the Closing Date the Assets would be insufficient to redeem all of the Secured Notes and Subordinated Notes in the event of an Event of Default under the Indenture.

The Indenture requires mandatory redemption of the Secured Notes for failure to satisfy Coverage Tests and in the event of a Moody's Ramp-Up Failure.

If any Coverage Test with respect to any Class or Classes of Secured Notes is not met on any Determination Date on which such Coverage Test is applicable, Interest Proceeds and, to the extent Interest Proceeds are insufficient for such purpose, Principal Proceeds will be applied as follows: Interest Proceeds that otherwise would have been used to pay certain fees and expenses or distributed to the holders of the Notes of each Class (other than the Class A1 Notes, the Class A-F Notes, the Class AX Notes and the Class B Notes) and (during the Reinvestment Period and, with respect to Eligible Post-Reinvestment Proceeds, after the Reinvestment Period) Principal Proceeds that would otherwise have been reinvested in Collateral Obligations will instead be used to redeem the Secured Notes of the most senior Class or Classes then outstanding, in each case in accordance with the Priority of Payments and the Note Payment Sequence, to the extent necessary to satisfy the applicable Coverage Tests as described under "Summary of Terms—Priority of Payments". This could result in an elimination, deferral or reduction in the payments of Interest Proceeds to the holders of the Class C Notes, the Class D Notes, the Class E Notes and/or the Subordinated Notes, as the case may be.

If a Moody's Ramp-Up Failure occurs and is continuing, amounts may be transferred from the Interest Collection Subaccount to the Principal Collection Subaccount as Principal Proceeds for use in a Ratings Special Redemption to the extent necessary to remedy a Moody's Ramp-Up Failure as described under "Use of Proceeds—Effective Date" and "Description of the Notes—Special Redemption". This could result in an elimination, deferral or reduction in the payments of Interest Proceeds (to the extent transferred from the Interest Collection Subaccount to the Principal Collection Subaccount) to the holders of the Subordinated Notes. A mandatory redemption of Secured Notes owing to a Moody's Ramp-Up Failure may cause the Collateral Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realized value of the Collateral Obligations sold.

The Secured Notes are subject to Special Redemption based on inability to identify Collateral Obligations.

The Secured Notes will be subject to redemption in part by the Co-Issuers or the Issuer, as applicable, on any Payment Date during the Reinvestment Period if the Collateral Manager notifies the Trustee that it has been

unable, for a period of at least 20 consecutive Business Days, to identify additional Collateral Obligations that are deemed appropriate by the Collateral Manager and which would meet the criteria for reinvestment described under "Security for the Secured Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Collection Account that are to be invested in additional Collateral Obligations. Any such notice shall be based upon the Collateral Manager having attempted, in accordance with the standard of care set forth in the Collateral Management Agreement, to identify additional Collateral Obligations as described above. On the Special Redemption Date, in accordance with the Indenture, the amount relating to such Reinvestment Special Redemption will be applied as described under "Summary of Terms—Priority of Payments—Application of Principal Proceeds" to pay the principal of the Secured Notes. The application of funds in that manner could result in an elimination, deferral or reduction of amounts available to make payments on the Subordinated Notes. See "Summary of Terms—Priority of Payments—Application of Principal Proceeds" and "Description of the Notes—Special Redemption".

The Notes are subject to Clean-Up Call Redemption.

At the written direction of the Collateral Manager, the Notes will be subject to redemption by the Issuer, in whole but not in part, at the Redemption Price therefor, on any Business Day after the Non-Call Period on which the Collateral Principal Amount is less than 20% of the Target Initial Par Amount. Any such redemption is subject to certain conditions described below under "Description of the Notes—Clean-Up Call Redemption". The timing of a Clean-Up Call Redemption could affect the return to the holders of the Notes.

Additional issuances of Notes may have different terms and may have the effect of preventing the failure of the Coverage Tests and the occurrence of an Event of Default.

At any time during (but not after) the Reinvestment Period, the Co-Issuers (or the Issuer, as applicable) may issue and sell additional notes of any one or more new classes of notes that are fully subordinated to the existing Secured Notes (or to the most junior class of securities of the Issuer issued pursuant to the Indenture, if any class of securities issued pursuant to the Indenture other than the Secured Notes is then outstanding) and/or additional notes of any one or more existing Classes and use the net proceeds to purchase additional Collateral Obligations or for other purposes permitted under the Indenture if the conditions for such additional issuance described under "Description of the Notes—The Indenture—Modification of Indenture" and "Description of the Notes—The Indenture—Additional Issuance" are met. The use of such issuance proceeds as Principal Proceeds may have the effect of curing a Coverage Test that was otherwise failing or modifying the effect of events that would otherwise give rise to an Event of Default and permit the Controlling Class to exercise remedies under the Indenture.

The holders of the Controlling Class will control many rights under the Indenture and therefore, holders of subordinate Classes will have limited rights in connection with an Event of Default, Enforcement Event or distributions thereunder.

Under the Indenture, many rights of the holders of the Notes will be controlled by a Majority of the Controlling Class. Remedies pursued by the holders of the Controlling Class upon an Event of Default could be adverse to the interests of the holders of Notes subordinated to the Controlling Class. After any Enforcement Event, proceeds of any realization on the Assets will be allocated in accordance with the Special Priority of Payments pursuant to which the Secured Notes and certain other amounts owing by the Co-Issuers will be paid in full before any allocation to the Subordinated Notes, and each Class of Notes (along with certain other amounts owing by the Co-Issuers) will be paid in order of seniority until it is paid in full before any allocation is made to the next Class of Notes. If an Event of Default has occurred and is continuing, the holders of the Subordinated Notes will not have any creditors' rights against the Issuer and will not have the right to determine the remedies to be exercised under the Indenture. There is no guarantee that any funds will remain to make distributions to the holders of subordinated Classes of Notes following any liquidation of the Assets and the application of the proceeds from the Assets to pay senior Classes of Notes and the fees, expenses, and other liabilities payable by the Co-Issuers.

The ability of the Controlling Class to direct the sale and liquidation of the Assets is subject to certain limitations. See "Description of the Notes—The Indenture—Events of Default".

A Supermajority of the Controlling Class may waive a potential Event of Default or Event of Default with respect to the payment of interest on the Controlling Class.

Prior to the time a judgment or decree for payment of the money due has been obtained by the Trustee, as provided in the Indenture, a Supermajority of the Controlling Class may waive any past Event of Default in the payment of interest on the Secured Notes of the Controlling Class and its consequences or the occurrence of an event that is, or with notice or the lapse of time or both would become, such an Event of Default and its consequences. Such a waiver may adversely affect the interests of the Holders of Notes of the Controlling Class who do not vote in favor of such a waiver.

The Issuer may modify the Indenture by supplemental indentures, and some supplemental indentures do not require consent of holders of Notes.

The Indenture provides that the Co-Issuers and the Trustee may enter into supplemental indentures to modify various provisions of the Indenture. Execution of supplemental indentures is subject to various conditions precedent. In certain cases, the consent of holders of Notes is required, but, in certain cases, such consent is not required or is only required from a Majority of a Class that would be materially and adversely affected by the supplemental indenture. Accordingly, the remainder of a Class may be materially and adversely affected by a supplemental indenture that is entered into following consent thereto to by a Majority of such Class. See "Description of the Notes—The Indenture—Modification of Indenture".

The Notes are subject to Optional Redemption in whole or in part by Class.

The Co-Issuers or the Issuer, as applicable, will, if so directed in writing by a Majority of the Subordinated Notes, or in the case of a Refinancing, if the Collateral Manager or a Majority of the Subordinated Notes proposes to the holders of the Subordinated Notes and the Collateral Manager, as applicable, a redemption (in whole or in part by Class, or in conjunction with a redemption from Sale proceeds) by Refinancing and a Majority of the Subordinated Notes approves such proposal not later than 15 days prior to the Payment Date on which such redemption is to be made, redeem the Secured Notes on any Payment Date after the Non-Call Period. Any such redemption must be made (i) in whole (with respect to all Classes of Secured Notes) but not in part from Sale Proceeds and/or Refinancing Proceeds or (ii) in part by Class from Refinancing Proceeds (so long as the Secured Notes of any Class to be redeemed represent the entire Class of Secured Notes). The Collateral Manager or Majority of the Subordinated Notes may cause the Subordinated Notes to be redeemed in whole on any Payment Date on or after the date on which all of the Secured Notes have been redeemed or repaid as described under "Description of the Notes—Optional Redemption and Tax Redemption" and "Description of the Notes—The Subordinated Notes—Optional Redemption". The Notes shall also be redeemed on any Payment Date in whole but not in part at the written direction (delivered to the Trustee) of a Majority of the Subordinated Notes following the occurrence of certain Tax Events as described under "Description of the Notes—Optional Redemption and Tax Redemption". In the event of an early redemption, the holders of the Secured Notes subject to such redemption and Subordinated Notes will be repaid prior to the respective Stated Maturity of such Notes. There can be no assurance that, upon any redemption of the Secured Notes in whole, the Sale Proceeds realized and other available funds would permit any distribution on the Subordinated Notes after all required payments are made to the holders of the Secured Notes. In addition, in the case of redemption of the Secured Notes in whole (except to the extent Refinancing Proceeds will be applied to redeem the Secured Notes) an Optional Redemption could require the Collateral Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realized value of the Collateral Obligations sold.

As described under "Description of the Notes—Optional Redemption and Tax Redemption", Refinancing Proceeds may be used in connection with redemption of the Secured Notes. In the case of a Refinancing upon such a redemption of the Secured Notes in whole, such Refinancing will be effective only if (i) the Refinancing Proceeds, all Sale Proceeds from the sale of Collateral Obligations and Eligible Investments in accordance with the procedures set forth in the Indenture, and all other available funds will be at least sufficient to redeem simultaneously the Secured Notes, in whole but not in part, and to pay the other amounts included in the aggregate Redemption Prices and all accrued and unpaid Administrative Expenses (regardless of the Administrative Expense Cap), including the reasonable fees, costs, charges and expenses incurred by the Co-Issuers, the Trustee, the Collateral Manager and the

Collateral Administrator (including reasonable attorneys' fees and expenses) in connection with such Refinancing, (ii) the Sale Proceeds, Refinancing Proceeds and other available funds are used (to the extent necessary) to make such redemption and (iii) the agreements relating to the Refinancing contain limited recourse and non-petition provisions equivalent (*mutatis mutandis*) to those contained in the Indenture.

As described under "Description of the Notes—Optional Redemption and Tax Redemption", in connection with redemption in part by Class of the Secured Notes, Sale Proceeds from the sale of Collateral Obligations and Eligible Investments will not be used to complete such redemption and only Refinancing Proceeds may be used in connection with such redemption. In the case of a Refinancing upon redemption of any Class of Secured Notes, such Refinancing will be effective only if (i) in the case of any Class of Secured Notes which bears interest based on a spread above LIBOR, the spread over LIBOR payable in respect of the obligations issued in connection with the Refinancing is less than or equal to the spread over LIBOR for the corresponding Class of Secured Notes being refinanced and, in the case of any other Class of Secured Notes, the Interest Rate payable in respect of the obligations issued in connection with the Refinancing is less than or equal to the Interest Rate payable on the corresponding Class of Secured Notes being refinanced, (ii) the Refinancing Proceeds will be at least sufficient to redeem simultaneously each applicable Class of Secured Notes and to pay the other amounts included in the aggregate Redemption Price for each such Class of Secured Notes and all accrued and unpaid Administrative Expenses (regardless of the Administrative Expense Cap), including the reasonable fees, costs, charges and expenses incurred by the Co-Issuers, the Trustee, the Collateral Manager and the Collateral Administrator (including reasonable attorneys' fees and expenses) in connection with such Refinancing, (iii) the Refinancing Proceeds are used (to the extent necessary) to make such redemption, (iv) the agreements relating to the Refinancing contain limited recourse and non-petition provisions equivalent (*mutatis mutandis*) to those contained in the Indenture, (v) the Issuer provides notice to each Rating Agency of the Refinancing, (vi) the obligations issued in connection with such Refinancing shall have a maturity date that is the same or later than the Stated Maturity of the Secured Notes being redeemed, (vii) the principal balance of the obligations issued in connection with such Refinancing is equal to the Aggregate Outstanding Amount of the Secured Notes being redeemed (except that if the most junior Class of Secured Notes is being redeemed, the principal balance of the Refinancing may exceed the Aggregate Outstanding Amount of such Secured Notes), (viii) the obligations issued in connection with the Refinancing are subject to the Priority of Payments and do not rank higher in priority pursuant to the Priority of Payments than the Class of Secured Notes being redeemed and (ix) the voting rights, consent rights, redemption rights and all other rights of the obligations issued in connection with the Refinancing are substantially similar in all material respects to the corresponding rights of the Class of Secured Notes being redeemed.

The Indenture provides that the holders of the Subordinated Notes will not have any cause of action against any of the Co-Issuers, the Collateral Manager, the Collateral Administrator, the Subordinated Note Issuing and Paying Agent or the Trustee for any failure to obtain a Refinancing. If a Refinancing is obtained meeting the requirements of the Indenture, the Issuer and, at the direction of the Collateral Manager, the Trustee will amend the Indenture to the extent necessary to reflect the terms of the Refinancing and no consent for such amendments shall be required from the holders of any Class of Notes, other than a Majority of the Subordinated Notes directing the redemption. No assurance can be given that any such amendments to the Indenture or the terms of any Refinancing will not adversely affect the holders of any Class or Classes of Notes not subject to redemption (or, in the case of the Subordinated Notes, the holders of the Subordinated Notes who do not form a part of the holders of the Subordinated Notes directing such redemption).

The Secured Notes are subject to Re-Pricing.

If prevailing market interest rates on investments similar to one or more Classes or sub-classes of Secured Notes (other than the Class A1 Notes and the Class A-F Notes) fall below current levels, a Majority of the Subordinated Notes may cause a Re-Pricing of one or more such Classes or sub-classes of Secured Notes (other than the Class A1 Notes and the Class A-F Notes) which will result in the reduction of the Interest Rate payable with respect to each such Re-Priced Class. Any Holder of a Note in a Re-Priced Class that does not consent to such Re-Pricing will be required to sell its Notes at the applicable Redemption Price to other Holders that have consented to such Re-Pricing and/or to other transferees designated by or on behalf of the Co-Issuers. Such a sale may occur at a time when the Notes of the Re-Priced Class are trading in the market at a premium and/or when other similar investments bearing the same rate of interest may be difficult to acquire or may be trading at a premium. A Re-

Pricing may also result in a shorter investment than a Holder of Secured Notes may have anticipated at the time of acquisition of its Secured Notes.

The Indenture provides that none of the Issuer, the Co-Issuer, any Re-Pricing Intermediary, the Trustee, the Collateral Administrator or the Collateral Manager shall have any obligation to arrange or seek to arrange for any transferee to purchase any Secured Notes held by any Holder of a Note in a Re-Priced Class that does not consent to such Re-Pricing and no Holder will have any cause of action against any of the Co-Issuers, any Re-Pricing Intermediary or the Collateral Manager as a result of any failure to complete a Re-Pricing or to purchase any Notes held by any Holder of a Note in a Re-Priced Class that does not consent to such Re-Pricing. The failure to effect a Re-Pricing will not constitute an Event of Default under the Indenture.

Liquidation under bankruptcy could be inconsistent with the rights of holders of the Notes.

Even though each holder will agree not to cause the filing of any involuntary petition in bankruptcy in relation to the Issuer (and will agree to subordinate its claims with respect to the Issuer and the Assets in the event it breaches such agreement), there is the possibility that a bankruptcy court may in the exercise of its equitable or other powers determine not to enforce such an agreement on the ground that such an agreement violates an essential policy underlying the United States Bankruptcy Code. In addition, there is no assurance that the Issuer or its directors would object to a breach by a holder of its obligation not to cause the filing of an involuntary petition even thought they are required to do so as described below. In the event that a bankruptcy proceeding is commenced, it is possible that the Assets could be sold or otherwise liquidated in a manner that is inconsistent with the rights of the holders of the various Classes of Notes as described herein under "Description of Notes—The Indenture—Events of Default". See "Description of Notes—The Indenture—Petitions for Bankruptcy".

The Notes may be affected by interest rate risks, including mismatches between the Notes and the Collateral Obligations.

After the first Interest Accrual Period, the Secured Notes (other than the Class A-F Notes and the Class B-F Notes) will bear interest at a rate based on three-month LIBOR. The Class A-F Notes and the Class B-F Notes will bear interest at a fixed rate. Subject to certain limited exceptions, the Collateral Obligations will bear interest based on one or more floating rates but the Floating Rate Obligations may bear interest based on indices other than LIBOR or on rates that reset at periods other than three month intervals. A limited portion of the Collateral Obligations may bear interest at a fixed rate. The Aggregate Outstanding Amount of the Secured Notes (other than the Class A-F Notes and the Class B-F Notes) may be different than the Aggregate Principal Balance of the Floating Rate Obligations, and the Aggregate Outstanding Amount of the Class A-F Notes and the Class B-F Notes, collectively, may be different than the Aggregate Principal Balance of the Fixed Rate Obligations. In addition, any payments of principal of or interest on Collateral Obligations received during a Collection Period (and, during the Reinvestment Period, or, solely in connection with Eligible Post-Reinvestment Proceeds, after the Reinvestment Period, not reinvested in Collateral Obligations during such Collection Period) will be reinvested in Eligible Investments maturing not later than the earlier of (A) the date that is 60 days after the date of delivery thereof and (B) the Business Day immediately preceding the Payment Date immediately following the date of delivery thereof. There is no requirement that such Eligible Investments bear interest at a floating rate, and the interest rates available for such Eligible Investments are inherently uncertain. As a result of mismatches among LIBOR and other floating rate indices and mismatches between floating rates and the fixed rate applicable to the Class A-F Notes or the Class B-F Notes, as applicable, changes in the level of LIBOR or any other applicable floating rate index could adversely affect the ability of the Co-Issuers or the Issuer, as applicable, to make payments on the Notes. In addition, mismatches between fixed rates applicable to certain obligations and the floating rate applicable to the Secured Notes, could affect the ability of the Co-Issuers or the Issuer, as applicable, to make payments on the Notes. There can be no assurance that the Collateral Obligations and the Eligible Investments will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Secured Notes or to make distributions to the holders of the Subordinated Notes.

Recent regulatory changes may affect the Issuer's ability to enter into hedge agreements.

The Issuer is not entering into any hedge agreements on the Closing Date and does not anticipate entering into such agreements. The Indenture does not permit the Issuer to enter into hedge agreements and the Indenture would need to be amended or supplemented to permit the Issuer to enter into such agreements. Nevertheless, economic and market conditions could change and the Issuer or the Collateral Manager could conclude that it would be in the interest of the Issuer to enter into one or more hedge agreements to, for example, hedge interest rate risk. There have been recent developments, however, that may increase the cost of, or prevent the Issuer from, entering into such hedge agreements.

Pursuant to the Dodd-Frank Act, the Commodity Futures Trading Commission (the "**CFTC**") has promulgated a range of new regulatory requirements that may affect the pricing, terms and compliance costs associated with hedge agreements. In addition, the CFTC recently adopted rules under the Dodd-Frank Act that include "swaps" along with "commodities" as contracts which if traded by an entity may cause that entity to be a "commodity pool" under the Commodity Exchange Act, as amended (the "**Commodity Exchange Act**") and any person that, on behalf of such entity, engages in or facilitates such activity to be a "commodity pool operator" ("**CPO**") and a "commodity trading adviser" ("**CTA**"). Regulation of the Issuer as a "commodity pool" and/or regulation of the Collateral Manager (or another transaction party) as a CPO and a CTA could cause the Issuer to be subject to extensive registration and reporting requirements that may involve material costs to the Issuer.

As a result of these developments, if any supplemental indenture permits the Issuer to enter into a Synthetic Security or other hedge, swap or derivative transaction (each a "**hedge agreement**"), the Co-Issuers and the Trustee shall not enter into such supplemental indenture without the consent of a Majority of the Subordinated Notes; *provided* that before entering into any such hedge agreement, the following conditions must be satisfied: (a) the Permitted Securities Condition is satisfied; (b) the Co-Issuers obtain written advice of counsel (also addressed to the Trustee) that (w) entering into such hedge agreement would not cause the Issuer to constitute or to be deemed a "covered fund" under the Volcker Rule, (x) the Issuer upon entering into such hedge agreement would fall within the scope of the exclusion from commodity pool regulation set forth in CFTC Letter No. 12-45 (Interpretation and No-Action) dated December 7, 2012 issued by the Division of Swap Dealer and Intermediary Oversight of the Commodity Futures Trading Commission, or (y) the Issuer upon entering into such hedge agreement will not otherwise cause it to be considered a "commodity pool" as defined in Section 1a(10) of the Commodity Exchange Act, or (z) if the Issuer would be a "commodity pool", (I) the Collateral Manager, and no other party, would be the CPO and CTA thereof and (II) with respect to the Issuer as a "commodity pool", the Collateral Manager is either registered as, or eligible for an exemption from registration as, a CPO and a CTA and, in the latter case, all conditions precedent to obtaining such an exemption have been satisfied; (c) the Collateral Manager agrees in writing (or the supplemental indenture requires in a manner that is binding on the Collateral Manager) that for so long as the Issuer is a "commodity pool", the Collateral Manager will take all actions necessary to ensure its continuing registration or ongoing compliance with the applicable exemption from registration as a CPO and a CTA with respect to the Issuer, and will take any other actions required as a CPO and a CTA with respect to the Issuer; (d) the counterparty under such hedge agreement has a Moody's long-term credit rating of at least "Aa3" or both a Moody's long-term credit rating of at least "A2" and a Moody's short-term credit rating of at least "P-1" and not on watch for potential downgrade, the Moody's Rating Condition is satisfied and so long as any Notes rated by Fitch remain outstanding, such counterparty has a short term credit rating of at least "F1" by Fitch and a long term credit rating of at least "A" by Fitch; and (e) a copy of such hedge agreement is sent to each of Moody's and, for so long as any Notes rated by Fitch are outstanding, Fitch promptly after execution thereof.

Accordingly, there may be circumstances where it would otherwise be in the Issuer's interest to enter into a hedge agreement, but it will not be able to do so, which could reduce amounts available to make payments on the Notes.

Ongoing investigations concerning LIBOR could adversely affect an investment in the Notes.

Regulators and law-enforcement agencies from a number of governments, including entities in the United States, Japan, Canada and the United Kingdom, are conducting civil and criminal investigations into whether the banks that contribute to the British Bankers' Association (the "**BBA**") in connection with the calculation of daily

LIBOR may have been under-reporting or otherwise manipulating or attempting to manipulate LIBOR. Several financial institutions have reached settlements with the U.S. Commodity Futures Trading Commission, the U.S. Department of Justice Fraud Section and the United Kingdom Financial Services Authority in connection with investigations by such authorities into submissions made by such financial institutions to the bodies that set LIBOR and other interbank offered rates. In such settlements, such financial institutions admitted to submitting rates to the BBA that were lower than the actual rates at which such financial institutions could borrow funds from other banks.

On February 1, 2014, the ICE Benchmark Administration ("**ICE**") assumed the role of administering LIBOR from the BBA. While ICE has confirmed, in its January 17, 2014 press release, that it does not currently intend to make any change to the methodology of calculating LIBOR from that used by the BBA, no assurance can be given that ICE or any successor administrator of LIBOR will not make methodological changes that could change the level of LIBOR, which in turn may adversely affect the value of the floating rate Collateral Obligations. No administrator of LIBOR will have any obligation to any investor in respect of any floating rate Collateral Obligations. ICE or any successor administrator of LIBOR may take any actions in respect of LIBOR without regard to the interests of any investor in the Secured Notes, and any of these actions could have an adverse effect on the value of the Secured Notes. ICE regulators or law-enforcement agencies may affect LIBOR (and/or the determination of LIBOR) in unknown ways, including, among other ways, by changing the methodology of setting LIBOR or altering, discontinuing or suspending calculation or dissemination of LIBOR. Any of such actions or other effects from such investigations could adversely affect the liquidity and value of the Secured Notes. For example, any uncertainty in the value of LIBOR or the development of a market view that LIBOR has been manipulated by BBA member banks may adversely affect the liquidity of the Secured Notes in the secondary market and their market value. Additional investigations remain ongoing and there can be no assurance that there will not be additional admissions or findings of rate-setting manipulation or that future manipulation of LIBOR or other similar interbank offered rates will not occur.

Syndicated commercial loans typically bear interest at a floating rate based on LIBOR. However, additional admissions or findings of manipulation may decrease the confidence of commercial borrowers in LIBOR and lead such borrowers to look for alternative, non-LIBOR based types of financing, such as fixed rate loans or bonds or floating rate loans based on non-LIBOR indices. An increase in alternative types of financing at the expense of LIBOR-based syndicated commercial loans may make it more difficult for the Issuer to source Collateral Obligations prior to the Effective Date or reinvest proceeds in Collateral Obligations with comparable interest rates that satisfy the reinvestment criteria specified herein or may increase interest rate mismatches between the Secured Notes and the Collateral Obligations.

The weighted average lives of the Notes may vary from their maturity date.

The average life of each Class of Notes is expected to be shorter than the number of years until its respective Stated Maturity. Each such average life may vary due to various factors affecting the early retirement of Collateral Obligations, the timing and amount of sales of such Collateral Obligations, the ability of the Collateral Manager to invest collections and proceeds in additional Collateral Obligations, and the occurrence of any Mandatory Redemption, Optional Redemption, Tax Redemption, Clean-Up Call Redemption or Special Redemption. Retirement of the Collateral Obligations prior to their respective final maturities will depend, among other things, on the financial condition of the issuers of the underlying Collateral Obligations and the respective characteristics of such Collateral Obligations, including the existence and frequency of exercise of any optional redemption, mandatory redemption or sinking fund features, the prevailing level of interest rates, the redemption prices, the actual default rates and the actual amount collected on any Defaulted Obligations and the frequency of tender or exchange offers for such Collateral Obligations. In particular, loans are generally prepayable at par, and a high proportion of loans could be prepaid. When prevailing interest rates are low, the issuers of or obligors on Collateral Obligations are more likely to seek to refinance such Collateral Obligations. In such low interest rate environments, the Issuer may not be able to purchase Collateral Obligations with interest rates comparable to the interest rates of Collateral Obligations which were prepaid. The ability of the Issuer to reinvest proceeds in Collateral Obligations with comparable interest rates that satisfy the reinvestment criteria specified herein may affect the timing and amount of payments received by the holders of Notes and the yield to maturity of the Notes. See "Security for the Secured Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria".

The Collateral Manager May Reinvest Post-Reinvestment Principal Proceeds After the End of the Reinvestment Period.

After the end of the Reinvestment Period, the Collateral Manager may reinvest Eligible Post-Reinvestment Proceeds in additional Collateral Obligations, subject to certain conditions described in "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria." Reinvestment of Post-Reinvestment Proceeds may have the effect of extending the Weighted Average Life of the Collateral Obligations and the average lives of the Notes.

The Issuer may be subject to tax.

The Issuer expects to conduct its affairs so that its income generally will not be subject to tax on a net income basis in the United States or any other jurisdiction. The Issuer expects that payments received on the Collateral Obligations and Eligible Investments generally will not be subject to withholding taxes imposed by the United States or other countries from which such payments are sourced. The Issuer will be subject to a 30% U.S. withholding tax pursuant to the Foreign Account Tax Compliance Act ("**FATCA**") (contained in Sections 1471-1474 of the Code) on (x) certain U.S.-source income payments received by the Issuer on or after July 1, 2014 and the proceeds of certain sales received by the Issuer on or after January 1, 2017 with respect to an obligation that is not outstanding on July 1, 2014 (or that is modified after June 30, 2014 in a manner which could cause it to be treated as reissued for U.S. federal income tax purposes or that is treated as equity for U.S. federal income tax purposes) and (y) certain foreign-source passthru payments (still to be defined under FATCA) received by the Issuer on or after January 1, 2017 with respect to an obligation that is not outstanding on or is modified in a manner which could cause it to be treated as reissued after the date that is six months following the issuance of final regulations defining the term "foreign passthru payment" (or that is equity), in each case, unless either (a) there is an effective intergovernmental agreement ("**IGA**") between the United States and the Cayman Islands that provides an exemption from FATCA to financial institutions resident in the Cayman Islands (as discussed below) or (b) the Issuer has in effect an agreement with the U.S. Internal Revenue Service to (i) obtain information regarding each Holder of its Notes (other than Notes treated as regularly traded on an established securities market) as is necessary to determine which, if any, such Holders are U.S. persons or United States owned foreign entities, (ii) provide annually to the U.S. Internal Revenue Service the name, address, taxpayer identification number and certain other information with respect to Holders and beneficial owners of Notes (other than Notes that are treated as regularly traded on an established securities market) that are U.S. persons or that are United States owned foreign entities (in which case the information must be provided with respect to the entity's "substantial U.S. owners") and (iii) comply with certain other due diligence procedures, U.S. Internal Revenue Service requests, withholding and other requirements. The U.S. Internal Revenue Service recently issued final regulations that provide guidance on the implementation of FATCA including the terms that must be included in, and the procedures for entering into, such an agreement and stated that it, along with the assistance of the U.S. Treasury Department, expects to publish in the near future a revenue procedure setting out the terms of the agreement to be entered into between foreign financial institutions like the Issuer and the U.S. Internal Revenue Service that are consistent with the final regulations. It is uncertain whether the Issuer will be able to comply with all requirements of such an agreement or legislation implementing an IGA and thus whether the Issuer will be able to avoid the imposition of U.S. withholding tax (starting as early as July 1, 2014 as noted above) on certain payments to it.

The United States has recently concluded several IGAs with jurisdictions in respect of FATCA. The Cayman Islands entered into a Model 1 IGA with the United States on November 29, 2013 (which came into force on April 14, 2014). The terms of such IGA are broadly similar to those agreed with the United Kingdom and the Republic of Ireland. Under the terms of such IGA, the Issuer will not be required to enter an agreement with the U.S. Internal Revenue Service, but may instead be required to register with the U.S. Internal Revenue Service to obtain a Global Intermediary Identification Number ("**GIIN**") and then comply with the Cayman Islands Tax Information Law (2013 Revision) (as amended) together with regulations and guidance notes made pursuant to such law that give effect to and provide guidance and detail on the application of such IGA. Upon application of such legislation, it is not yet clear whether the Issuer will be a certified deemed compliant entity with no reporting required or a registered deemed compliant entity which would require the Issuer to report to the Cayman Islands Tax Information Authority, which will exchange such information with the U.S. Internal Revenue Service under the terms of the IGA. To the extent the Issuer cannot be treated as a certified deemed compliant entity, the Issuer would

be a "Reporting Cayman Islands Financial Institution" (as defined in the IGA). As such, the Issuer would need to effect registration with the U.S. Internal Revenue Service to obtain a GIIN. Under the terms of the IGA, withholding will not be imposed on payments made to the Issuer, or on payments made by the Issuer to the Noteholders (other than perhaps certain passthru withholding), unless the U.S. Internal Revenue Service has specifically listed the Issuer as a non-participating financial institution, or the Issuer has otherwise assumed responsibility for withholding under United States or Cayman Islands tax law. The Issuer has obtained a GIIN and intends to comply with applicable Cayman Islands legislation.

To enable the Issuer to comply with any agreement with the U.S. Internal Revenue Service or any applicable IGA, each as described above, each purchaser, beneficial owner and subsequent transferee of Notes or interests therein will: (1) be deemed to agree to provide the Issuer, the Trustee and the Subordinated Note Issuing and Paying Agent and any applicable intermediary with the information required under the Noteholder Reporting Obligations and (2) permit the Issuer (or the Collateral Manager on behalf of the Issuer), the Collateral Manager, any intermediary, the Trustee and the Subordinated Note Issuing and Paying Agent, as applicable, to (x) share such information with the U.S. Internal Revenue Service, (y) compel or effect the sale of the Notes held by such holder or beneficial owner that fails to comply with the Noteholder Reporting Obligations or whose ownership of the Notes may otherwise prevent the Issuer from complying with FATCA (for example, by causing the Issuer to be affiliated with a non-compliant "foreign financial institution") and (z) make other amendments to the Indenture to enable the Issuer to comply with FATCA and/or assign such Note a separate CUSIP or CUSIPs. See "Transfer Restrictions—Additional Restrictions".

Payments on the Collateral Obligations and Eligible Investments also might become subject to U.S. or other tax due to a change in law or other causes. Payments with respect to any equity securities held by the Issuer likely will be subject to withholding taxes imposed by the United States or other countries from which such payments are sourced.

The imposition of withholding taxes or taxes on the Issuer's net income could materially impair the Issuer's ability to make payments on the Notes, cause the Issuer to sell the relevant Collateral Obligations or cause a Tax Redemption if certain requirements are met.

While the Issuer will structure its business to avoid engaging in a U.S. trade or business, a determination by the U.S. tax authorities that the Issuer is engaged in a trade or business in the United States would result in the imposition of income tax on the Issuer's earnings. Such a result could materially impair the ability of the Issuer to make required payments on the Notes or any branch profits tax.

Blocker Subsidiaries will be subject to tax.

To reduce the risk that the Issuer will be engaged in a trade or business in the United States, in certain circumstances set forth in the Indenture, certain Equity Securities, Defaulted Obligations and securities or obligations received in an offer or in connection with a work-out or restructuring may be owned by one or more Blocker Subsidiaries wholly-owned by the Issuer. Income on such securities or obligations will be subject to U.S. federal income tax, and possibly state and local tax, at regular corporate rates and distributions by such subsidiaries to the Issuer (or, in the case of non-U.S. Blocker Subsidiaries, amounts distributed to the Blocker Subsidiary) attributable to such income may also be subject to U.S. withholding tax.

U.S. Federal Income Tax Treatment of Holders of Subordinated Notes.

As described below, the Issuer intends to treat, and the Indenture will provide that each Holder and beneficial owner of Notes, by accepting a Note, agrees to treat the Subordinated Notes as equity interests in the Issuer, for U.S. federal income tax purposes. Because the Issuer will be a passive foreign investment company ("**PFIC**"), a U.S. person holding Subordinated Notes may be subject to additional taxes unless it elects to treat the Issuer as a qualified electing fund ("**QEF**") and to recognize currently its proportionate share of the Issuer's income. Prospective purchasers of the Subordinated Notes considering a QEF election should be aware that it is possible that a significant amount of the Issuer's income, as determined for U.S. federal income tax purposes, will not be distributed on a current basis to the holders of the Subordinated Notes, including as a result of the investment by the

Issuer in Collateral Obligations issued with original issue discount, reinvestments by the Issuer of a portion of its income, the use by the Issuer of its income for the retirement of all or a portion of certain Classes of Notes and any cancellation of indebtedness income arising in connection with any Re-Pricing. U.S. Holders of Subordinated Notes making a QEF election may owe income tax on a significant amount of such "phantom", or undistributed, income. The Issuer may invest in Collateral Obligations which may be treated as equity of other PFICs. In such event, a U.S. shareholder must make a separate QEF election with respect to any such other PFIC. The Issuer will provide the information needed for U.S. shareholders to make a QEF election in respect of other PFICs, but only to the extent the Issuer receives information in respect of other PFICs. There can be no assurance that the Issuer will receive any such information. Such investments may have adverse U.S. tax consequences for U.S. persons holding Subordinated Notes.

The Issuer also may be a controlled foreign corporation ("**CFC**") if 10% U.S. Shareholders (generally any U.S. Holder holding at least 10% of the Subordinated Notes and any other interests considered to represent voting equity in the Issuer) together own more than half (by vote or value) of the Subordinated Notes and any other interests considered to represent equity in the Issuer. If the Issuer is a CFC, a 10% U.S. Shareholder generally will be subject to the CFC rules rather than the PFIC rules, and other U.S. Holders will be subject to the PFIC rules. If the Issuer is a CFC for at least 30 consecutive days during its taxable year, a U.S. Holder that is a 10% U.S. Shareholder on the last day of the Issuer's taxable year must recognize ordinary income equal to its allocable share of the Issuer's net earnings for the tax year whether or not the Issuer makes a distribution. The income will be treated as income from sources within the United States to the extent the Issuer derived it from U.S. sources. Earnings on which a U.S. Holder that is a 10% U.S. Shareholder pays tax currently will not be taxed again when they are distributed to the U.S. Holder. Such U.S. Holder's basis in its interest in the Issuer will increase by any amounts the holder includes in income currently and decrease by any amounts not subject to tax when distributed. If the Issuer is a CFC, (i) the Issuer will incur U.S. withholding tax on interest received from a related United States person, (ii) special reporting rules will apply to directors of the Issuer and certain other persons and (iii) certain other restrictions may apply. Subject to a special limitation for individual U.S. Holders that have held interests treated as voting equity in the Issuer for more than one year, gain from disposition of interests treated as equity interests in the Issuer recognized by a U.S. Holder that is or recently has been a 10% U.S. Shareholder will be treated as dividend income to the extent earnings attributable to the interests accumulated while the U.S. Holder held the interests and the Issuer was a CFC.

U.S. Federal Income Tax Treatment of the Secured Notes.

Keating Muething & Klekamp PLL, special U.S. federal income tax counsel to the Issuer, will deliver an opinion to the effect that the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will, and the Class E Notes should, be treated as debt for U.S. federal income tax purposes. The Issuer intends to treat the Secured Notes, and the Indenture requires that the Noteholders agree to treat the Secured Notes, as debt for U.S. federal, state and local income and franchise tax purposes, except that Holders of the Class E Notes will be allowed to make protective QEF elections. Nevertheless, the treatment of a Class of Secured Notes as debt of the Issuer could be challenged by the U.S. Internal Revenue Service. If such a challenge were successful, such Notes would be treated as equity interests in the Issuer, and the U.S. Federal income tax consequences of investing in such Notes would be the same as the consequences of investing in the Subordinated Notes without having made a QEF election. See "U.S. Federal Income Tax Considerations".

Holders of a Class of Notes subject to a Re-Pricing may have gain or loss on a deemed exchange of their Notes for Notes of the Re-Priced Class. The tax consequences of holding Notes of a Re-Priced Class may also differ from those of holding the original Notes before the Re-Pricing.

Certain U.S. investors subject to additional reporting requirements.

Legislation enacted in 2010 requires certain U.S. Holders to report information with respect to their investment in the Notes not held through an account with a financial institution to the U.S. Internal Revenue Service for any year in which the aggregate value of all "specified foreign financial assets" owned but not held through an account with a financial institution, including the Notes, exceeds certain thresholds, starting at U.S.$50,000. Investors who fail to report required information could become subject to substantial penalties. Potential investors

are encouraged to consult with their own tax advisors regarding the possible implications of this legislation for their investment in the Notes.

Payments on the Notes are not required to be grossed up for tax withheld.

The Issuer expects that payments on the Notes will ordinarily not be subject to any withholding tax in the Cayman Islands, the United States or any other jurisdiction. See "U.S. Federal Income Tax Considerations" and "Cayman Islands Income Tax Considerations". Certain investors, including non-U.S. "financial institutions", may be subject to withholding taxes under FATCA unless they have provided any required or requested information and, if they are non-U.S. "financial institutions", they have entered into a compliance and reporting agreement with the U.S. Internal Revenue Service or are resident in a jurisdiction that has entered into an IGA relating to FATCA and qualify for an exemption from FATCA withholding thereunder. In the event that withholding or deduction of any taxes from payments on the Notes is required by law in any jurisdiction or pursuant to the Issuer's agreement with any governmental taxing authority (including any withholding under FATCA with respect to foreign passthru payments), neither of the Co-Issuers shall be under any obligation to make any additional payments in respect of such withholding or deduction.

Each of the Issuer and the Co-Issuer is recently formed, has no significant operating history, has no assets other than the Assets and is limited in its permitted activities.

Each of the Issuer and the Co-Issuer is a recently incorporated or organized entity and has no prior operating history or track record other than, in the case of the Issuer, in connection with pre-closing warehouse arrangements to facilitate the acquisition of Collateral Obligations in contemplation of the transaction described herein. See "—Relating to the Collateral Obligations—Acquisition of initial Collateral Obligations before the Closing Date". Accordingly, neither the Issuer nor the Co-Issuer has a performance history for you to consider in making your decision to invest in the Notes.

The Notes are not guaranteed by the Co-Issuers, Jefferies, the Collateral Manager, the Collateral Administrator or the Trustee.

None of the Co-Issuers, Jefferies, the Collateral Manager, the Collateral Administrator or the Trustee or any Affiliate thereof makes 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) to you of ownership of the Notes and you may not rely on any such party for a determination of expected or projected success, profitability, return, performance result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) to you of ownership of the Notes. You will be required to represent (or, in the case of certain interests in global Notes, deemed to represent) to the Issuer and Jefferies, among other things, that you have consulted with your own legal, regulatory, tax, business, investment, financial, and accounting advisors regarding investment in the Notes as you have deemed necessary and that the investment by you is within your powers and authority, is permissible under applicable laws governing such purchase, has been duly authorized by you and complies with applicable securities laws and other laws.

Non-compliance with restrictions on ownership of the Notes and the Investment Company Act could adversely affect the Issuer.

Neither the Issuer nor the Co-Issuer has registered with the SEC as an investment company pursuant to the Investment Company Act, in reliance on an exception under Section 3(c)(7) of the Investment Company Act for investment companies (a) whose outstanding securities are owned (or in the case of "qualified purchasers", beneficially owned) only by "qualified purchasers" and, in the case of the Class E Notes and the Subordinated Notes, by "knowledgeable employees" with respect to the Issuer 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.

No opinion or no-action position has been requested of the SEC with respect to the status of the Co-Issuers as investment companies under the Investment Company Act.

If the SEC or a court of competent jurisdiction were to find that the Issuer or the Co-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 and the Co-Issuer could sue the Issuer and the Co-Issuer and recover any damages caused by the violation; and (iii) any contract to which the Issuer and/or the Co-Issuer is party that is made in violation of the Investment Company Act or whose performance involves such violation would be 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, such a finding would constitute an Event of Default under the Indenture. Should the Issuer or the Co-Issuer be subjected to any or all of the foregoing, the Issuer and the Co-Issuer would be materially and adversely affected.

Book-entry holders are not considered holders of Notes under the Indenture.

Holders of beneficial interests in any Notes held in global form will not be considered holders of such Notes under the Indenture. After payment of any interest, principal or other amount to DTC, neither the Issuer nor the Co-Issuer will have any responsibility or liability for the payment of such amount by DTC or to any holder of a beneficial interest in a Note. DTC or its nominee will be the sole holder for any Notes held in global form, and therefore each person owning a beneficial interest in a Note held in global form must rely on the procedures of DTC (and if such person is not a participant in DTC on the procedures of the participant through which such person holds such interest) with respect to the exercise of any rights of a holder of a Note under the Indenture.

Future actions of any Rating Agency can adversely affect the market value or liquidity of the Notes.

The Rating Agencies may change their published ratings criteria or methodologies for securities such as the Secured Notes at any time in the future. Further, the Rating Agencies may retroactively apply any such new standards to the ratings of the Secured Notes. Any such action could result in a substantial lowering (or even withdrawal) of any rating assigned to any Secured Note, despite the fact that such Secured Note might still be performing fully to the specifications set forth for such Secured Note in this Offering Circular and the Transaction Documents. The rating assigned to any Secured 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 Secured 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 Secured Notes. If any rating initially assigned to any Secured 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 Secured Notes may significantly reduce the liquidity thereof and may adversely affect the Issuer's ability to make certain changes to the composition of the Assets.

In addition to the ratings assigned to the Secured Notes, the Issuer will be utilizing ratings assigned by the Rating Agencies to obligors of individual Collateral Obligations. Such ratings will primarily be publicly available ratings. There can be no assurance that the Rating Agencies will continue to assign such ratings utilizing the same methods and standards utilized 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 CCC Collateral Obligations and Caa Collateral Obligations in the Assets, which could cause the Issuer to fail to satisfy the Overcollateralization Ratio Test on subsequent Determination Dates, which failure could lead to the early amortization of some or all of one or more Classes of the Secured Notes. See "Description of the Notes—Mandatory Redemption" and "Security for the Secured Notes—The Coverage Tests and the Interest Diversion Test".

A Rating Agency may revise or withdraw its ratings of the Secured Notes as a result of a failure by the responsible party to provide it with information requested by such Rating Agency or comply with any of its obligations contained in the engagement letter with such Rating Agency, including the posting of information provided to the Rating Agency on a website that is accessible by rating agencies that were not hired in connection with the issuance of the Secured Notes as described under "—Rating agencies may have certain conflicts of interest; and the Secured Notes may receive an unsolicited rating, which may have an adverse effect on the liquidity or the market price of the Secured Notes". Any such revision or withdrawal of a rating as a result of such a failure might

adversely affect the value of the Notes and, for regulated entities, could affect the status of the Secured Notes as a legal investment or the capital treatment of the Secured Notes.

Rating agencies may have certain conflicts of interest; and the Secured Notes may receive an unsolicited rating, which may have an adverse effect on the liquidity or the market price of the Secured Notes.

Moody's and Fitch have been hired by the Issuer to provide their ratings on, in the case of Fitch, the Class A Notes and, in the case of Moody's, the Secured Notes. A rating agency may have a conflict of interest where, as is the case with the ratings of the Secured Notes (with the exception of unsolicited ratings), the issuer of a security pays the fee charged by the rating agency for its rating services.

To enable the Rating Agencies to comply with Rule 17g-5 of the Exchange Act, the Issuer agreed with each Rating Agency to the effect that it will post on a password-protected internet website, at the same time such information is provided to the Rating Agencies, all information the Issuer provides to the Rating Agencies for the purposes of determining the initial credit rating of the Secured Notes or undertaking credit rating surveillance of the Secured Notes. Pursuant to the Collateral Management Agreement, the Collateral Manager will be obligated to cause the Issuer to comply with its obligations under the Indenture and, to the extent known to the Collateral Manager, any rating application letters and any related side letters, relating to Rule 17g-5. Nationally recognized statistical rating organizations ("**NRSROs**") providing the requisite certification will have access to all information posted on such website. As a result, an NRSRO other than the Rating Agencies may issue ratings on the Secured Notes (the "**Unsolicited Ratings**"), which may be lower, and could be significantly lower, than the ratings assigned by the Rating Agencies. The Unsolicited Ratings may be issued prior to, or after, the Closing Date and will not be reflected in the final offering circular for the Notes. Issuance of any Unsolicited Rating will not affect the issuance of the Secured Notes. Issuance of an Unsolicited Rating lower than the ratings assigned by the Rating Agencies on the Secured Notes might adversely affect the value of the Notes and, for regulated entities, could affect the status of the Secured Notes as a legal investment or the capital treatment of the Secured Notes. Investors in the Secured Notes should monitor whether an unsolicited rating of the Secured Notes has been issued by a non-hired NRSRO and should consult with their legal counsel regarding the effect of the issuance of a rating by a non-hired NRSRO that is lower than the expected ratings set forth in this Offering Circular.

Investors should consider certain ERISA considerations.

If the ownership of any Class of Notes which is characterized as equity under the regulation issued by the United States Department of Labor located at 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") (such regulation as so modified, the "**Plan Asset Regulation**"), by Benefit Plan Investors were to equal or exceed 25% of the total value of such class, the assets of the Issuer and/or Co-Issuer, as applicable, would be deemed to be "plan assets" under the Plan Asset Regulation. (The Plan Asset Regulation provides that in applying such 25% limitation, Notes held by Controlling Persons must be disregarded.) If for any reason the assets of the Issuer and/or Co-Issuer, as applicable, were deemed to be "plan assets", certain transactions that the Issuer and/or Co-Issuer might enter into, or may have entered into, in the ordinary course of its business might constitute non-exempt "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code and might have to be rescinded at significant cost to the Issuer and/or the Co-Issuer. The Collateral Manager, on behalf of the Issuer and/or the Co-Issuer, may be prevented from engaging in certain investments or other transactions or fee arrangements because they might be deemed to cause non-exempt prohibited transactions. Moreover, if the underlying assets of the Issuer and/or the Co-Issuer were deemed to be assets constituting plan assets, (i) the assets of the Issuer and/or Co-Issuer could be subject to ERISA's reporting and disclosure requirements, (ii) a fiduciary causing a Benefit Plan Investor to make an investment in the equity of the Issuer and/or Co-Issuer could be deemed to have delegated its responsibility to manage the assets of the Benefit Plan Investor to the Issuer and/or Co-Issuer, (iii) various providers of fiduciary or other services to the Issuer and/or Co-Issuer, and any other parties with authority or control with respect to the Issuer and/or Co-Issuer, could be deemed to be fiduciaries under ERISA or otherwise Parties in Interest or Disqualified Persons by virtue of their provision of such services, and (iv) it is not clear that Section 404(b) of ERISA, which generally prohibits fiduciaries from maintaining the indicia of ownership of assets of Benefit Plan Investors subject to Title I of ERISA outside the jurisdiction of the district courts of the United States, would be satisfied in all instances. The term "**Benefit Plan Investor**" is defined in Section 3(42) of ERISA as (a) any employee benefit plan (as defined in Section 3(3) of

ERISA) that is subject to the fiduciary responsibility provisions of Title I of ERISA, (b) any plan to which Section 4975 of the Code applies and (c) any entity or account whose underlying assets include plan assets by reason of such an employee benefit plan's or plan's investment in such entity or account.

An equity interest is defined under the Plan Asset Regulation as an interest other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Although there is little guidance on how this definition applies, the Issuer and/or Co-Issuer believe that the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be treated as indebtedness without substantial equity features for purposes of the Plan Asset Regulation, although no assurance can be given in this regard. The Class E Notes may, and the Subordinated Notes will likely, be treated as equity interests in the Issuer for purposes of the Plan Asset Regulation.

The Issuer intends, through the use of written or deemed representations, to restrict ownership of the Class E Notes and the Subordinated Notes by Benefit Plan Investors and Controlling Persons so that no assets of the Issuer will be deemed to be "plan assets" subject to Title I of ERISA or Section 4975 of the Code as such term is defined in Section 3(42) of ERISA and the Plan Asset Regulation. However, there can be no assurance that ownership of the Class E Notes and the Subordinated Notes by Benefit Plan Investors will always remain below the 25% Limitation established under the Plan Asset Regulation.

See "Certain ERISA and Related Considerations" herein for a more detailed discussion of certain ERISA and related considerations with respect to an investment in the Notes.

The Issuer is subject to U.S. anti-money laundering legislation.

The Uniting and Strengthening America By Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**USA PATRIOT Act**"), signed into law on and effective as of October 26, 2001, requires that financial institutions, a term that includes banks, broker-dealers and investment companies, establish and maintain compliance programs to guard against money laundering activities. The USA PATRIOT Act requires the Secretary of the United States Department of the Treasury (the "**Treasury**") to prescribe regulations in connection with anti-money laundering policies of financial institutions. The Financial Crimes Enforcement Network ("**FinCEN**"), an agency of the Treasury, has announced that it is likely that such regulations would require pooled investment vehicles such as the Co-Issuers to enact anti-money laundering policies. In addition, in December 2011, the Director of FinCEN announced that FinCEN is working on a regulatory proposal that would require investment advisers to establish anti-money laundering programs and report suspicious activity. It is possible that there could be promulgated legislation or regulations that would require the Co-Issuers, the Initial Purchaser or other service providers to the Co-Issuers, in connection with the establishment of anti-money laundering procedures, to share information with governmental authorities with respect to investors in the Notes. Such legislation and/or regulations could require the Co-Issuers to implement additional restrictions on the transfer of the Notes. The Co-Issuers reserve the right to request such information as is necessary to verify the identity of a beneficial holder of Notes and the source of the payment of subscription monies, or as is necessary to comply with any customer identification programs required by FinCEN and/or the SEC. In the event of delay or failure by the applicant to produce any information required for verification purposes, an application for or transfer of Notes and the subscription monies relating thereto may be refused. See "Anti-Money Laundering and Anti-Terrorism Requirements and Disclosures".

The Issuer has the right to require holders of the Notes to sell their holdings in certain circumstances.

In certain circumstances, if the Issuer reasonably determines in good faith that a holder or beneficial owner of the Notes does not have the status that it purports to have and such holder or beneficial owner is not otherwise qualified to hold such Notes, or that a holder or beneficial owner of the Notes has failed to comply with its Noteholder Reporting Obligations, the Issuer will have the right to require such holder or beneficial owner to dispose of such holder's or beneficial owner's Notes, as applicable, within 30 days after receipt of a notice from the Issuer that such holder or beneficial owner is not so qualified or has failed to comply with its Noteholder Reporting Obligations, to a person or entity that is qualified to hold such Notes. See "Transfer Restrictions—Non-Permitted Holder/Non-Permitted ERISA Holder".

In connection with a Re-Pricing, any Holder of Notes in a Re-Priced Class which does not consent to the proposed Re-Pricing will be required to transfer its Notes in such Re-Priced Class to Holders of Notes in such Re-Priced Class who have consented to such Re-Pricing or to other transferees designated by the Co-Issuers. See "Description of the Notes – Re-Pricing".

Relating to the Collateral Manager.

The Incentive Collateral Management Fee and ownership of Subordinated Notes may create an incentive for the Collateral Manager to seek to maximize the yield on the Collateral Obligations; potential changes in strategy.

On each Payment Date, the Collateral Manager may be paid the Incentive Collateral Management Fee to the extent of funds available on such Payment Date as described in "Summary of Terms—Priority of Payments", if the holders of the Subordinated Notes have realized the specified Subordinated Notes Internal Rate of Return as of such Payment Date. In addition, on the Closing Date, one or more Affiliates of the Collateral Manager will purchase, directly or indirectly, (a) U.S.$24,350,000 in aggregate principal amount of the Class A1 Notes, (b) U.S.$1,550,000 in aggregate principal amount of the Class A-F Notes, (c) U.S.$300,000 in aggregate principal amount of the Class AX Notes, (d) U.S.$2,550,000 in aggregate principal amount of the Class B1 Notes, (e) U.S.$215,000 in aggregate principal amount of the Class B-F Notes, (f) U.S.$1,500,000 in aggregate principal amount of the Class C Notes, (g) U.S.$1,500,000 in aggregate principal amount of the Class D Notes, (h) U.S.$1,350,000 in aggregate principal amount of the Class E Notes and (i) U.S.$11,200,000 in aggregate principal amount of the Subordinated Notes. Payment of the Incentive Collateral Management Fee and payments on the Subordinated Notes will be dependent to a large extent on the yield earned on the Collateral Obligations. This fee structure and ownership of the Subordinated Notes could create an incentive for the Collateral Manager to manage the Issuer's investments in a manner as to seek to maximize the yield on the Collateral Obligations relative to investments of higher creditworthiness. The Collateral Manager may make more speculative investments in Collateral Obligations because the payment of the Incentive Collateral Management Fee and payments on the Subordinated Notes is subordinate to payments on the Secured Notes. Managing the portfolio with the objective of increasing yield, even though the Collateral Manager is constrained by investment restrictions described in "Security for the Secured Notes", could result in an increase in defaults or volatility and could contribute to a decline in the aggregate market value of the Collateral Obligations. Furthermore, within the limitations set forth in the Indenture, the Collateral Manager may pursue different or varied strategies at any time which could result in losses for the Issuer.

The Issuer will depend on the managerial expertise available to the Collateral Manager and its key personnel.

The performance of an investment in the Notes will be in part dependent on the analytical and managerial expertise of the investment professionals of the Collateral Manager. The prior investment results of persons associated with the Collateral Manager or any other entity or person described herein are not indicative of the Issuer's future investment results. The nature of, and risks associated with, the Issuer's future investments may differ substantially from those investments and strategies undertaken historically by such persons and entities. There can be no assurance that the Issuer's investments will perform as well as the past investments of any such persons or entities. In addition, such past investments may have been made utilizing a leveraged capital structure, an asset mix and fee arrangements that are different from the anticipated capital structure, asset mix and fee arrangements of the Issuer. Moreover, because the investment criteria that govern investments in the Issuer's portfolio do not govern the Collateral Manager's prior investments and prior investment strategies generally, current investments conducted in accordance with such current criteria, and the results they yield, are not directly comparable with, and may differ substantially from other investments undertaken by the Collateral Manager.

Because the composition of the Assets will vary over time, the performance of the Notes depends heavily on the skills of the Collateral Manager in analyzing, selecting and managing the Collateral Obligations. As a result, the Issuer will be highly dependent on the analytical and managerial experience of the Collateral Manager and certain of its officers and employees to whom the task of managing the Assets has been assigned. Certain employment arrangements between those employees and the Collateral Manager may exist, but the Issuer is not, and will not be, a direct beneficiary of such arrangements, which arrangements are in any event subject to change

without the consent of the Issuer. Such officers and employees may cease to be associated with the Collateral Manager at any time and the loss of such officers or employees could have a material adverse effect on the performance of the Collateral Manager.

In addition, in certain events the Collateral Manager may resign or may be terminated pursuant to the Collateral Management Agreement. See "The Collateral Management Agreement".

The investment professionals of the Collateral Manager will attend to matters unrelated to the investment activities of the Issuer.

The Collateral Manager has informed the Issuer that the investment professionals associated with the Collateral Manager are actively involved in other investment activities not concerning the Issuer and will not devote all of their time to the Issuer's business and affairs. In addition, individuals not currently associated with the Collateral Manager may become associated with the Collateral Manager and the performance of the Collateral Obligations may also depend on the financial and managerial experience of such individuals. See "The Collateral Management Agreement" and "The Collateral Manager".

The Collateral Manager may enter into arrangements with holders of the Subordinated Notes relating to retention of the Notes and creating certain obligations.

The Collateral Manager may enter into arrangements with holders of the Subordinated Notes, including the holder of a Majority of the Subordinated Notes, pursuant to which the Collateral Manager may agree to retain all or a portion of the Collateral Manager Notes and may agree to purchase additional Notes if necessary to comply with the U.S. Risk Retention Rules, if such U.S. Risk Retention Rules become applicable to this transaction. The Collateral Manager may, after the Closing Date, enter into other similar arrangements with other holders of the Notes or amend or terminate any such existing arrangements. No holder of the Notes will have the right to review (or to receive the economic or other benefits of) any of such arrangements to which it is not a party. Such arrangements may affect the incentives of the Collateral Manager in managing the Collateral Obligations and may also affect the actions of such Noteholder in taking any actions it may be permitted to take under the Indenture, including votes concerning amendments. Further, any obligation to purchase additional Notes in order to comply with the U.S. Risk Retention Rules could require a significant additional capital investment and may require the Collateral Manager or its Affiliates to purchase such Notes in the open market at prices and on terms and conditions which the Collateral Manager and/or such Affiliates do not consider favorable. In addition, if the Collateral Manager fails to comply with the terms and conditions of such agreements, the Collateral Manager may be subject to claims which could have a material adverse effect on its financial condition or ability to perform its obligations under the Collateral Management Agreement.

The Indenture and the Collateral Management Agreement do not require the Collateral Manager or the Issuer to comply with the U.S. Risk Retention Rules and do not require the Collateral Manager or its Affiliates to retain any of the Collateral Manager Notes. Accordingly, any such agreements referenced in the preceding paragraph will be entered into at the Collateral Manager's discretion and, if the U.S. Risk Retention Rules were to become applicable to this transaction, there can be no assurance that the Issuer will be in compliance with such rules.

The Collateral Manager may enter into arrangements with holders of the Subordinated Notes or other Noteholders relating to a portion of the Subordinated Collateral Management Fee.

The Collateral Manager may from time to time enter into arrangements with holders of the Subordinated Notes, including Affiliates of the Collateral Manager, pursuant to which the Collateral Manager may rebate or direct the Trustee to pay such holder(s), or otherwise not receive from such holders, a portion of its Subordinated Collateral Management Fee. No holder of the Notes will have the right to review (or to receive the economic or other benefits of) any of such arrangements to which it is not a party. The Collateral Management Agreement will provide that any successors or assigns of the Collateral Manager will be subject to and bound by the terms of any previously existing agreements entered into by the Collateral Manager. This may make it more difficult to assign the Collateral Management Agreement or to find a successor Collateral Manager upon a resignation or removal of

the Collateral Manager. Such arrangements may affect the incentives of the Collateral Manager in managing the Collateral Obligations and may also affect the actions of such Noteholder in taking any actions it may be permitted to take under the Indenture, including votes concerning amendments.

Relating to the Collateral Obligations.

Below investment-grade Collateral Obligations involve particular risks.

The Collateral Obligations will consist primarily of non-investment grade loans or interests in non-investment grade loans, which are subject to liquidity, market value, credit, interest rate, reinvestment and certain other risks. It is anticipated that the Collateral Obligations generally will be subject to greater risks than investment grade corporate obligations. These risks could be exacerbated to the extent that the portfolio is concentrated in one or more particular types of Collateral Obligations.

Prices of the Collateral Obligations may be volatile, and will generally fluctuate due to a variety of factors that are inherently difficult to predict, including but not limited to changes in interest rates, prevailing credit spreads, general economic conditions, financial market conditions, domestic and international economic or political events, developments or trends in any particular industry, and the financial condition of the obligors of the Collateral Obligations. The current uncertainty affecting the United States economy and the global economy, including economies of other countries in which issuers of Collateral Obligations are domiciled, and the possibility of increased volatility in financial markets could adversely affect the value and performance of the Collateral Obligations. Additionally, loans and interests in loans have significant liquidity and market value risks since they are not generally traded in organized exchange markets but are traded by banks and other institutional investors engaged in loan syndications. Because loans are privately syndicated and loan agreements are privately negotiated and customized, loans are not purchased or sold as easily as publicly traded securities. In addition, historically the trading volume in the loan market has been small relative to the debt securities market.

Leveraged loans have historically experienced greater default rates than has been the case for investment grade securities. There can be no assurance as to the levels of defaults and/or recoveries that may be experienced on the Collateral Obligations, and an increase in default levels could adversely affect payments on the Notes.

A significant portion (up to 50.0% of the Collateral Principal Amount) of the Collateral Obligations may be Cov-Lite Loans (please see the definition of the term "Cov-Lite Loan" appearing on page 188 hereof). Cov-Lite Loan documents either do not contain any financial covenants (obligating the underlying borrower to comply with certain financial ratios, such as debt service coverage ratios or leverage ratios) or only contain Incurrence Covenants (please see the definition of the term "Incurrence Covenants" appearing on page 195 hereof). Financial covenants are usually designed to enable lenders to monitor the financial condition of the underlying borrower, to restrict the ability of the underlying borrower to change significantly its operations, to restrict the ability of the underlying borrower to enter into other significant transactions that could affect the underlying borrower's ability to repay its debts, and to permit a lender to either default the underlying borrower or restructure the loan to such underlying borrower in order to maximize the lender's recovery on such loan.

In recent years, the prevalence of Cov-Lite Loans in the United States leveraged loan market has increased significantly, driven by what some market participants and observers believe is an increased investor demand for leveraged loans and other leveraged-loan products as well as other factors. Therefore, many (or most) of the Collateral Obligations that will be available for purchase by the Issuer in the secondary loan market will be Cov-Lite Loans. It is very likely that, on the Closing Date and for as long as the Notes are outstanding, the Issuer will purchase a significant number of Cov-Lite Loans.

Historically, Cov-Lite Loans were offered by lenders only to borrowers considered to have strong credit profiles. However, more recently, many market participants and observers have expressed the concern that Cov-Lite Loans are being made more frequently to borrowers with weaker credit profiles. As a result of the foregoing and the ability of the Issuer to purchase and own a significant number of Cov-Lite Loans, the Issuer (and, therefore, holders of the Notes) may be exposed to heightened credit and price volatility, reduced liquidity and ability to restructure loans and other risks related to the Collateral Obligations. Breaches of the financial covenants in loans that are not

Cov-Lite Loans alert lenders to the fact (or the possibility) that a borrower is experiencing, or may experience, financial difficulty or that a borrower may become insolvent, each of which, if not averted, might reduce a lender's ability to recover amounts due to it under the loan or, ultimately, might decrease the amount of a lender's recovery. Some market participants or observers view breaches of these financial covenants as an "early-warning system" that enables a lender to put the borrower in default or to restructure the loan in a manner that might maximize or enhance a lender's ultimate recovery on the loan. Because Cov-Lite Loans do not contain financial covenants (or contain only limited financial covenants), a lender of a Cov-Lite Loan will not have the benefit of this "early-warning system", exposing such lender to more risk and potentially greater losses than such lender would have been exposed had the loan been documented with financial covenants.

It is also important for any potential holder of a Note to understand that, according to the Indenture, a loan that does not include any financial covenants will not be considered to be a Cov-Lite Loan if such loan's documentation contains a cross default provision to, or is *pari passu* with, another loan of the underlying obligor forming part of the same loan facility that requires the underlying obligor to comply with a Maintenance Covenant. Therefore, many loans that do not include financial covenants in their own underlying documentation (and that would otherwise be considered to be Cov-Lite Loans but for such qualification in the definition of the term Cov-Lite Loan) will not be considered to be Cov-Lite Loans under the Indenture. Therefore, such loans will not be taken into account when imposing the 50.0% concentration limit on Cov-Lite Loans that is described above.

Prospective investors in the Notes are advised to take these risks into consideration when deciding whether or not to purchase any of the Notes and should understand that the inclusion of Cov-Lite Loans in the Collateral Obligations might have an adverse effect on the Issuer's ability to fully and promptly make payments on the Notes.

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 reduction in the interest rate, a substantial write-down of principal, and a substantial change in the terms, conditions and covenants with respect to such Defaulted Obligation. In addition, such negotiations or restructuring may be quite extensive and protracted over time, and therefore may result in substantial uncertainty with respect to the ultimate recovery on such Defaulted Obligation. 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 to the minimum recovery rate assumed by each Rating Agency in rating the Secured Notes or any recovery rate used in connection with any analysis of the Notes that may have been prepared by Jefferies for or at the direction of holders of any Notes.

Credit ratings are not a guarantee of quality.

The following considerations apply, to the extent relevant, to the ratings of the Collateral Obligations and the Notes:

Credit ratings of assets represent the rating agencies' opinions regarding their credit quality and are not a guarantee of quality. A credit rating is not a recommendation to buy, sell or hold assets and may be subject to revision or withdrawal at any time by the assigning rating agency, including to the extent the Issuer does not comply with its covenants to enable the Rating Agencies to comply with their obligations under Rule 17g-5 of the Exchange Act. See "—Relating to the Notes—Rating agencies may have certain conflicts of interest; and the Secured Notes may receive an unsolicited rating, which may have an adverse effect on the liquidity or the market price of the Secured Notes". In the event that a rating assigned to any Collateral Obligation is lowered for any reason, no party is obligated to provide any additional support or credit enhancement with respect to such Collateral Obligation. Rating agencies attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value; therefore, ratings may not fully reflect the true risks of an investment. Also, rating agencies may fail to make timely changes in credit ratings in response to subsequent events, so that an obligor's current financial condition may be better or worse than a rating indicates. Consequently, credit ratings of any Collateral Obligation should be used only as a preliminary indicator of investment quality and should not be

considered a completely reliable indicator of investment quality. Rating reductions or withdrawals may occur for any number of reasons and may affect numerous assets at a single time or within a short period of time, with material adverse effects upon the Notes. It is possible that many credit ratings of assets included in or similar to the Collateral Obligations will be subject to significant or severe adjustments downward. See "—Relating to the Notes—Future actions of any Rating Agency can adversely effect the market value or liquidity of the Notes".

Acquisition of initial Collateral Obligations before the Closing Date.

An Affiliate of Jefferies (the "**Warehouse Provider**") has agreed to certain arrangements under which it will provide financing for the "warehousing" of a substantial amount of the Collateral Obligations prior to the Closing Date (the "**Warehoused Assets**"). Such Warehoused Assets will be selected by the Collateral Manager (with the consent of the Warehouse Provider), with the expectation that a special-purpose entity that is not affiliated with, or under the control of, the Collateral Manager or the Warehouse Provider (hereinafter, the "**Warehousing SPE**"), or the Issuer, under certain circumstances, will acquire such Warehoused Assets in accordance with the CLO Warehousing Agreement among, the Issuer, the Warehouse Provider, the Collateral Manager and Affiliates of the Collateral Manager (the "**Warehouse Agreement**") and certain contractual arrangements between the Warehouse Provider and a third party that controls the Warehousing SPE. During the period up until seven Business Days prior to the Closing Date (the "**Warehouse Period**"), the acquisition of the Warehoused Assets by the Warehousing SPE or the Issuer, as applicable, will be effected according to terms prevailing in the market at the respective times of the respective acquisitions thereof, and will be financed by the Warehouse Provider, which will provide senior funding, and certain investors, including Affiliates of the Collateral Manager, which will post collateral as first-loss protection to the Warehouse Provider (such investors, the "**First Loss Providers**"). Under certain circumstances, the Warehouse Provider may provide back-stop support by promising to any seller of an Asset, which is to be a Warehoused Asset once acquired by the Issuer, that the Warehouse Provider will purchase such Asset if the Issuer fails to purchase it on its settlement date.

On the Closing Date, it is expected that the Warehouse Provider will acquire all of the outstanding equity interests in the Warehousing SPE from the owner thereof, and the Issuer will apply a portion of the proceeds from the issuance of the Notes to acquire all of the outstanding equity interests in the Warehousing SPE from the Warehouse Provider for an amount generally equal to the respective purchase prices of the Warehoused Assets financed by the Warehouse Provider (as reduced by prepayments) *plus* certain fees and compensatory amounts due to the Warehouse Provider and the First Loss Providers *plus or minus* certain other compensatory amounts relating to losses and gains realized by the Warehouse SPE or the Issuer on Warehoused Assets sold or prepaid prior to the Closing Date *plus* certain amounts relating to accrued interest on the Warehoused Assets sold prior to the Closing Date and principal financed accrued interest (the "**Warehouse Termination Amount**"). Pursuant to the risk sharing arrangements contained in the Warehouse Agreement, the Warehouse Provider will pay to the First Loss Providers a portion of the excess income and the first loss collateral previously provided by the First Loss Providers.

On the Closing Date, upon the purchase of the equity of the Warehousing SPE by the Issuer as described above, the Issuer and the Warehousing SPE will then merge, with the Issuer being the entity surviving such merger (such merger transaction is referred to herein as the "**Closing Merger**"). Under the terms of the Closing Merger, the rights and property of the Warehousing SPE (including all of the Warehoused Assets held by the Warehousing SPE) will immediately vest in the Issuer. In addition, the Issuer will become liable for and subject to, in the same manner as the Warehousing SPE, all funding obligations under any Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations and all other liabilities and obligations related to the Collateral Obligations previously owned by the Warehousing SPE. It is a condition to the issuance of the Notes that a search of certain public filing records be concluded that reveals no effective notices of any security interest or other lien granted by the Warehousing SPE (other than those to be released on the Closing Date) on the Collateral Obligations acquired by the Issuer in the Closing Merger.

It is important to note that the terms of, as applicable, the Issuer's or the Warehousing SPE's purchase of each Warehoused Asset, including the purchase price paid with respect thereto, will reflect those terms that were prevailing in the market at the time of the purchase of such Warehoused Asset, and such terms may not reflect the terms prevailing in the market as of the Closing Date or any later date. No assurances can be provided to investors in the Notes that the purchase price paid by the Issuer or the Warehousing SPE, as applicable, for the Warehoused

Assets will be indicative of the market value of such Warehoused Assets as of the Closing Date or any later date. Therefore, the Issuer and investors in the Notes will be assuming the risk of a decline in the market value and credit quality of the Warehoused Assets from the date on which the Issuer or the Warehousing SPE, as applicable, committed to purchase them from the various sellers thereof until the Closing Date (and thereafter). None of that risk will have been assumed by the Warehouse Provider, the Collateral Manager or any other person or entity other than the Issuer and, therefore, investors in the Notes. In addition, although the Warehoused Assets are expected to satisfy the criteria or other requirements applicable to Collateral Obligations at the time of the commitment to purchase, because of events occurring between the commitment to purchase and the Closing Date, the Warehoused Assets may not satisfy such criteria or other requirements on the Closing Date or any later date. It is also important to note that, other than with respect to certain principal financed accrued interest relating to the Warehoused Assets, neither the Issuer nor investors in the Notes will be entitled to receive any payments of interest, principal or any other amounts payable or paid by the obligor of any Warehoused Asset before the Closing Date. All of such payments will have been payable or paid to, and therefore benefit, only the Warehouse Provider and the First Loss Providers. It is also important to note that certain indemnification obligations of the Issuer under the Warehouse Agreement and other agreements with the Warehouse Provider will survive the termination of the Warehouse Agreement and those other agreements on the Closing Date.

Additionally pursuant to the terms of the Warehouse Agreement, additional Assets may be directly selected by the Collateral Manager and then purchased by the Issuer on or before the Closing Date with proceeds of an equity investment in the Issuer by the Collateral Manager or its Affiliates (the "**Manager Financed Assets**") in accordance with the terms of the Warehouse Agreement. The acquisition of the Manager Financed Assets by the Issuer will be effected according to terms prevailing in the market at the respective times of the respective acquisitions thereof and the Warehouse Provider's consent will be required in connection with any such acquisition of Manager Financed Assets. On the Closing Date, the Issuer will apply a portion of the proceeds from the issuance of the Notes to redeem all of the equity interests issued to the Collateral Manager and/or any its Affiliates in connection with the purchase of the Manager Financed Assets for a redemption price that would reflect the purchase price of such Manager Financed Assets at the time of purchase by the Issuer.

All realized and unrealized gains and losses occurring with respect to such Warehoused Assets and Manager Financed Assets will be for the Issuer's account and, consequently, the value of such Manager Financed Assets reflected in the equity purchase price and the redemption prices payable to the Warehouse Provider and the Collateral Manager and/or its Affiliates in respect of its financed amounts and equity investment in the Issuer on the Closing Date may be lower or higher than the market values of such Manager Financed Assets on the Closing Date. In addition, such redemption prices will reflect interest accrued on any such Warehoused Assets and Manager Financed Assets acquired by the Issuer in connection with the Warehouse Agreement prior to the Closing Date.

The Warehoused Assets and Manager Financed Assets acquired prior to the Closing Date by the Warehousing SPE and the Issuer collectively shall be the "**Pre-Closing Collateral Obligations**". The purchases of any Pre-Closing Collateral Obligations will be required to be consistent with the investment guidelines of the Issuer, the other restrictions contained in the Warehouse Agreement and applicable law.

If the issuance of the Notes does not occur, the Pre-Closing Collateral Obligations may be liquidated and the Warehouse Provider, the Collateral Manager and/or Affiliates of the Collateral Manager may suffer a loss. This risk may provide an incentive for Jefferies and the Collateral Manager to close the transaction in non-optimal conditions.

According to the Warehouse Agreement, each of the Warehouse Provider and the Collateral Manager under certain circumstances has the right to approve Pre-Closing Collateral Obligations acquired by the Warehousing SPE and/or the Issuer, as applicable, and to require or approve sales of assets by the Warehousing SPE and/or the Issuer, as applicable. Each of the Warehouse Provider and the Collateral Manager may exercise those rights solely for its own benefit and in a manner that protects its own rights and interests. As a registered investment adviser, the Collateral Manager owes certain duties to the Issuer but generally does not owe duties to any individual holder of the Notes. Notwithstanding any such duties, none of the Warehouse Provider, the Initial Purchaser, the Collateral Manager or any of their Affiliates has done, and no such person will do, any analysis of the Pre-Closing Collateral Obligations acquired or sold by the Warehousing SPE or the Issuer for the benefit of, or in a manner designed to

further the interests of, any holder of the Notes.

By its purchase of the Notes, each holder is deemed to have consented on behalf of itself to the purchase and valuation of the Pre-Closing Collateral Obligations by the Issuer in the manner and pursuant to the arrangements described above.

Holders of the Notes will receive limited disclosure about the Collateral Obligations.

The Issuer and the Collateral Manager will not be required to provide, and may be prohibited from providing, the holders of the Notes, the Trustee or the Subordinated Note Issuing and Paying Agent with financial or other information (which may include material non-public information) it receives pursuant to the Collateral Obligations and related documents. The Collateral Manager also will not be required to disclose to any of these parties the contents of any notice it receives pursuant to the Collateral Obligations or related documents. In particular, the Collateral Manager will not have any obligation to keep any of these parties informed as to matters arising in relation to any Collateral Obligations, except with respect to: (i) the receipt or non-receipt, on an aggregate basis, of principal, interest, or other amounts of collections or recoveries; (ii) the cancellation of any Collateral Obligations; (iii) default amounts in respect of the Collateral Obligations; and (iv) certain other information required to be reported under the Collateral Management Agreement and the Indenture.

The holders of the Notes, the Trustee and the Subordinated Note Issuing and Paying Agent will not have any right to inspect any records relating to the Collateral Obligations, and the Collateral Manager will not be obligated to disclose any further information or evidence regarding the existence or terms of, or the identity of any obligor on, any Collateral Obligations, unless (i) specifically required by the Collateral Management Agreement or (ii) following its receipt of a written request from the Trustee, the Collateral Manager in its reasonable discretion determines that the disclosure of such further information or evidence regarding the existence or terms of, or the identity of any obligor on, any Collateral Obligation to the Trustee would not be prohibited by applicable law or the underlying instruments relating to such Collateral Obligation, in which case the Collateral Manager will disclose such further information or evidence to the Trustee; *provided* that (a) the Trustee will not disclose such further information or evidence to any third party except (i) to the extent disclosure may be required by law or any governmental or regulatory authority and (ii) to the extent that the Trustee, in its sole discretion, may determine that such disclosure is consistent with its obligations under the Indenture and (b) the Trustee may disclose on a confidential basis any such information to its agents, attorneys and auditors in connection with the performance of its obligations under the Indenture. Furthermore, the Collateral Manager may, with respect to any information that it elects to disclose, demand that persons receiving such information execute confidentiality agreements before being provided with the information.

Lender liability considerations and equitable subordination can affect the Issuer's rights with respect to Collateral Obligations.

A number of judicial decisions have upheld judgments of borrowers against lending institutions on the basis of various evolving legal theories, collectively termed "**lender liability**". Generally, lender liability is founded on the premise that a lender has violated a duty (whether implied or contractual) of good faith, commercial reasonableness and fair dealing, or a similar duty owed to the borrower or has assumed an excessive degree of control over the borrower resulting in the creation of a fiduciary duty owed to the borrower or its other creditors or shareholders. Because of the nature of the Collateral Obligations, the Issuer may be subject to allegations of lender liability.

In addition, under common law principles that in some cases form the basis for lender liability claims, if a lender (a) intentionally takes an action that results in the undercapitalization of a borrower to the detriment of other creditors of such borrower, (b) engages in other inequitable conduct to the detriment of such other creditors, (c) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (d) uses its influence as a stockholder to dominate or control a borrower to the detriment of other creditors of such borrower, a court may elect to subordinate the claim of the offending lender to the claims of the disadvantaged creditor or creditors, a remedy called "**equitable subordination**". Because of the nature of the Collateral Obligations, the Collateral Obligations may be subject to claims of equitable subordination.

Because Affiliates of, or persons related to, the Collateral Manager may hold equity or other interests in obligors of Collateral Obligations, the Issuer could be exposed to claims for equitable subordination or lender liability or both based on such equity or other holdings.

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 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.

Loan prepayments may affect the ability of the Issuer to invest and reinvest available funds in appropriate Assets.

Loans are generally prepayable in whole or in part at any time at the option of the obligor thereof at par *plus* accrued unpaid interest thereon. Prepayments on loans may be caused by a variety of factors which are often difficult to predict. Consequently, 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 Investment Criteria specified herein may adversely affect the timing and amount of payments received by the holders of Notes and the yield to maturity of the Secured Notes and the distributions on the Subordinated Notes. There is no assurance that the Issuer will be able to reinvest proceeds in assets with comparable interest rates that satisfy the Investment Criteria or (if it is able to make such reinvestments) as to the length of any delays before such investments are made.

The Issuer may not be able to acquire Collateral Obligations that satisfy the Investment Criteria.

A portion of the initial Collateral Obligations is expected to be purchased after the Closing Date as described herein. The ability of the Issuer to acquire an initial portfolio of Collateral Obligations that satisfies the Investment Criteria at the projected prices, ratings, rates of interest and any other applicable characteristics will be subject to market conditions and availability of such Collateral Obligations. Any inability of the Issuer to acquire Collateral Obligations that satisfy the Investment Criteria specified herein may adversely affect the timing and amount of payments received by the holders of Notes and the yield to maturity of the Secured Notes and the distributions on the Subordinated Notes. In addition, the Secured Notes will be subject to redemption in part by the Co-Issuers or the Issuer, as applicable, on any Payment Date during the Reinvestment Period if the Collateral Manager notifies the Trustee that it has been unable, for a period of at least 20 consecutive Business Days, to identify additional Collateral Obligations that are deemed appropriate by the Collateral Manager and which would satisfy the Investment Criteria in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Collection Account that are to be invested in additional Collateral Obligations. See "The Secured Notes are subject to Special Redemption based on inability to identify Collateral Obligations". There is no assurance that the Issuer will be able to acquire Collateral Obligations that satisfy the Investment Criteria.

Investing in loans involves particular risks.

The Issuer may acquire interests in loans either directly (by way of assignment from the selling institution) or indirectly (by purchasing a Participation Interest from the selling institution). As described in more detail below, holders of Participation Interests are subject to additional risks not applicable to a holder of a direct interest in a loan.

Participations by the Issuer in a selling institution's portion of a loan typically result in a contractual relationship only with such selling institution, not with the borrower. In the case of a Participation Interest, the Issuer will generally have the right to receive payments of principal, interest and any fees to which it is entitled only from the institution selling the participation and only upon receipt by such selling institution of such payments from the borrower. By holding a Participation Interest in a loan, the Issuer generally will have no right to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of set off against the borrower, and the Issuer may not directly benefit from the collateral supporting the loan in which it has purchased the participation. As a result, the Issuer will assume the credit risk of both the borrower and the institution selling the participation, which

will remain the legal owner of record of the applicable loan. In the event of the insolvency of the selling institution, the Issuer, by owning a Participation Interest, may be treated as a general unsecured creditor of the selling institution, and may not benefit from any set off between the selling institution and the borrower. In addition, the Issuer may purchase participations from a selling institution that does not itself retain any portion of the applicable loan and, therefore, may have limited interest in monitoring the terms of the loan agreement and the continuing creditworthiness of the borrower. When the Issuer holds a Participation Interest in a loan it will not have the right to vote under the applicable loan agreement with respect to every matter that arises thereunder, and it is expected that each selling institution will reserve the right to administer the loan sold by it as it sees fit and to amend the documentation evidencing such loan in all respects. Selling institutions voting in connection with such matters may have interests different from those of the Issuer and may fail to consider the interests of the Issuer in connection with their votes.

Certain of the loans or Participation Interests may be governed by the law of a jurisdiction other than a United States jurisdiction. The Issuer is unable to provide any information with respect to the risks associated with purchasing a loan or a Participation Interest under an agreement governed by the laws of a jurisdiction other than a United States jurisdiction, including characterization under such laws of such Participation Interest or sub-Participation Interest in the event of the insolvency of the institution from whom the Issuer purchases such Participation Interest or sub-Participation Interest or the insolvency of the institution from whom the grantor of the sub-Participation Interest purchased its Participation Interest. See also "—International Investing" below.

The purchaser of an assignment of an interest in a loan typically succeeds to all the rights and obligations of the assigning selling institution and becomes a lender under the loan agreement with respect to that loan. As a purchaser of an assignment, the Issuer generally will have the same voting rights as other lenders under the applicable loan agreement, including the right to vote to waive enforcement of breaches of covenants or to enforce compliance by the borrower with the terms of the loan agreement, and the right to set off claims against the borrower and to have recourse to collateral supporting the loan. Assignments are, however, arranged through private negotiations between assignees and assignors, and in certain cases the rights and obligations acquired by the purchaser of an assignment may differ from, and be more limited than, those held by the assigning selling institution.

Assignments and participations are sold strictly without recourse to the selling institutions, and the selling institutions will generally make no representations or warranties about the underlying loan, the borrowers, the documentation of the loans or any collateral securing the loans. In addition, the Issuer will be bound by provisions of the underlying loan agreements, if any, that require the preservation of the confidentiality of information provided by the borrower. Because of certain factors including confidentiality provisions, the unique and customized nature of the loan agreement, and the private syndication of the loan, loans are not purchased or sold as easily as are publicly traded securities.

Limited control of administration and amendment of Collateral Obligations.

As a holder of an interest in a syndicated loan, the Issuer will have limited consent and control rights and such rights may not be effective in view of the expected proportion of such obligations held by the Issuer. Subject to compliance with the Investment Guidelines, the Collateral Manager will direct the exercise and enforcement, or direct the Issuer to refrain from exercising and enforcing, any or all of the Issuer's rights in connection with the Collateral Obligations or any related documents and will direct consents or rejections of amendments or waivers of the terms of any Collateral Obligation and related documents in accordance with its portfolio management practices and the standard of care specified in the Collateral Management Agreement. Subject to compliance with the Investment Guidelines, the Collateral Manager's ability to change the terms of the Collateral Obligations will generally not otherwise be restricted by the Indenture. The holders of Notes will not have any right to compel the Collateral Manager to take or refrain from taking any actions other than in accordance with its portfolio management practices and the standard of care specified in the Collateral Management Agreement.

The Collateral Manager may, in accordance with its portfolio management standards and subject to the Transaction Documents, agree to extend or defer the maturity, or adjust the outstanding balance of any Collateral Obligation, or otherwise amend, modify or waive the terms of any related loan agreement, including the payment

terms thereunder. Any amendment, waiver or modification of a Collateral Obligation could postpone the expected maturity of the Notes and/or reduce the likelihood of timely and complete payment of interest on or principal of the Secured Notes or distributions on the Subordinated Notes.

Voting restrictions on syndicated loans for minority holders.

The Issuer will generally purchase each Collateral Obligation 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 must include 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 a Collateral Obligation 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.

Participation on Creditors' Committees.

Subject to compliance with the Investment Guidelines, the Issuer may participate on committees formed by creditors to negotiate the management of financially troubled companies that may or may not be in bankruptcy. The participants on such a committee will attempt to achieve an outcome that is in their respective individual best interests and there can be no assurance that results that are the most favorable to the Issuer will be obtained in such proceedings. By participating on such committees, the Issuer may be deemed to have duties to other creditors represented by the committees, which might thereby expose the Issuer to liability to such other creditors who disagree with the Issuer's actions.

Limited funds available to the Issuer to pay its Management Fees and Administrative Expenses.

The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Subordinated Note Issuing and Paying Agent, the Collateral Manager, the Collateral Administrator and the Administrator and for payment of the Issuer's other accrued and unpaid Administrative Expenses are limited as described in "Description of the Notes—Priority 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 brought against it or that the Issuer might otherwise bring to protect its interests. In addition, service providers who are not paid in full, including the Administrator which provides the directors to the Issuer, have the right to resign. This could lead to the Issuer being in default under the Companies Law (2014 Revision) of the Cayman Islands and potentially being struck from the register of companies of the Cayman Islands and dissolved.

Third Party Litigation.

The Issuer's investment activities subject it to the normal risks of becoming involved in litigation by third parties. This risk would be somewhat greater if the Issuer were to exercise control or significant influence over a company's direction. See "—Lender liability considerations and equitable subordination can affect the Issuer's rights with respect to Collateral Obligations". The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would, absent acts or omissions constituting bad faith, fraud, willful misconduct or gross negligence in the performance of the Collateral Manager of its obligations under the Collateral Management Agreement and under the applicable terms of the Indenture, be borne by the Issuer and would reduce the Interest Proceeds available for distribution and the Issuer's net assets.

Concentration risk.

The Issuer will invest in a portfolio of Collateral Obligations consisting of assignments of or Participation Interests in loans. Although no significant concentration with respect to any particular obligor, industry or country (other than the United States) 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. See "Security for the Secured Notes".

International Investing.

A portion of the Assets may consist of Collateral Obligations that are obligations of non-U.S. obligors. Investing outside the United States may involve greater risks than investing in the United States. These risks include: (i) less publicly available information, (ii) varying levels of governmental regulation and supervision and (iii) the difficulty of enforcing legal rights in a non-U.S. jurisdiction and uncertainties as to the status, interpretation and application of laws. Moreover, non-U.S. obligors may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to United States companies. Generally, there is less governmental supervision and regulation of exchanges, brokers and issuers in foreign countries than there is in the United States. For example, there may be no comparable provisions under certain foreign laws with respect to insider trading and similar investor protection afforded by securities laws that apply with respect to securities transactions consummated in the United States. Moreover, if the sovereign rating of a country in which an obligor on a Collateral Obligation is located is downgraded, the ratings applicable to such Collateral Obligation may decline as well.

Foreign markets also have different clearance and settlement procedures, and in certain markets there have been times when settlements have failed to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Delays in settlement could result in periods when assets of the Issuer are uninvested and no return is earned thereon. The inability of the Issuer to make intended purchases of Collateral Obligations due to settlement problems or the risk of intermediary counterparty failures could cause the Issuer to miss investment opportunities. The inability to dispose of a Collateral Obligation due to settlement problems could result either in losses to the Issuer due to subsequent declines in the value of such Collateral Obligation or, if the Issuer has entered into a contract to sell the security, could result in possible liability to the purchaser. Transaction costs of buying and selling foreign securities, including brokerage, tax and custody costs, also are generally higher than those involved in domestic transactions. Furthermore, foreign financial markets, while generally growing in volume, have, for the most part, substantially less volume than U.S. markets, and securities of many foreign companies are less liquid and their prices more volatile than securities of comparable domestic companies.

In many foreign countries, there is the possibility of expropriation, nationalization or confiscatory taxation, limitations on the convertibility of currency or the removal of securities, property or other assets of the Issuer, political, economic or social instability or adverse diplomatic developments, each of which could have an adverse effect on the Issuer's investments in such foreign countries (which may make it more difficult to pay U.S. Dollar-denominated obligations). The economies of individual non-U.S. countries may also differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, volatility of currency exchange rates, depreciation, capital reinvestment, resource self-sufficiency and balance of payments position.

Insolvency considerations with respect to issuers of Collateral Obligations may affect the Issuer's rights.

Various laws enacted for the protection of creditors may apply to the Collateral Obligations. The information in this and the following paragraph is applicable with respect to U.S. issuers. Insolvency considerations will differ with respect to non-U.S. issuers. If a court in a lawsuit brought by an unpaid creditor or representative of creditors of an issuer or obligor of a Collateral Obligation, such as a trustee in bankruptcy, were to find that such issuer or obligor did not receive fair consideration or reasonably equivalent value for incurring or guaranteeing the indebtedness constituting such Collateral Obligation or granting a lien on its property to secure such indebtedness and, after giving effect to such indebtedness, such issuer or obligor (i) was insolvent, (ii) was engaged in a business for which the remaining assets of such issuer or obligor constituted unreasonably small capital or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court could determine to invalidate, in whole or in part, such indebtedness or such lien as a fraudulent conveyance, to

subordinate such indebtedness or such lien to existing or future creditors of such issuer or obligor or to recover amounts previously paid by such issuer or obligor in satisfaction of such indebtedness. The measure of insolvency for purposes of the foregoing will vary. Generally, an issuer or obligor would be considered insolvent at a particular time if the sum of its debts were then greater than all of its property at a fair valuation or if the present fair salable value of its assets were then less than the amount that would be required to pay its probable liabilities on its existing debts as they became absolute and matured. There can be no assurance as to what standard a court would apply in order to determine whether an issuer or obligor was "insolvent" after giving effect to the incurrence or guarantee of the indebtedness constituting the Collateral Obligations or the grant of such lien or that, regardless of the method of valuation, a court would not determine that an issuer or obligor was "insolvent" upon giving effect to such incurrence, guarantee or lien. In addition, in the event of the insolvency of an issuer or obligor of a Collateral Obligation, payments made on such Collateral Obligation could be subject to avoidance as a "preference" if made within a certain period of time (which may be as long as one year under federal bankruptcy law or even longer under state laws) before commencement of such insolvency proceedings.

In general, if payments on Collateral Obligations are avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured, either from the initial recipient (such as the Issuer) or from subsequent transferees of such payments (such as the holders of the Notes). To the extent that any such payments are recaptured from the Issuer, the resulting loss will generally be borne by the holders of the Notes in inverse order of seniority as described under "—Relating to the Notes—The subordination 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 will affect their right to payment". However, a court in a bankruptcy or insolvency proceeding would be able to direct the recapture of any such payment from a holder of Notes only to the extent that such court has jurisdiction over such holder or its assets. Moreover, it is likely that avoidable payments could not be recaptured directly from a holder that has given value in exchange for its Note, in good faith and without knowledge that the payments were avoidable. Nevertheless, since there is no judicial precedent relating to a structured transaction such as the Notes, there can be no assurance that a holder of Notes will be able to avoid recapture on this or any other basis.

Relating to Certain Conflicts of Interest.

In general, the transaction will involve various potential and actual conflicts of interest.

Various potential and actual conflicts of interest may arise from the overall investment activity of the Collateral Manager, its clients and its Affiliates and Jefferies and its Affiliates. The following briefly summarizes some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its Affiliates.

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

The Collateral Manager and its clients and Affiliates may buy Notes, from which the Collateral Manager or such clients or Affiliates may derive revenues and profits in addition to the fees disclosed herein.

The Collateral Manager is entitled to the Senior Collateral Management Fee, the Subordinated Collateral Management Fee and in certain circumstances, the Incentive Collateral Management Fee in the priorities set forth herein, subject to the Priority of Payments as described herein and the availability of funds therefor. By reason of the Incentive Collateral Management Fee, the Collateral Manager may have a conflict between its obligation to manage the Issuer's portfolio prudently and the financial incentive created by such fees for the Collateral Manager to make investments that are riskier or more aggressive than would be the case in the absence of such fees. See "—Relating to the Collateral Manager—The Incentive Collateral Management Fee and ownership of Subordinated Notes may create an incentive for the Collateral Manager to seek to maximize the yield on the Collateral Obligations; potential changes in strategy".

Although the Collateral Manager and certain of its officers and employees will devote such time and effort

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

The Collateral Manager, its clients (including other collateralized loan obligation funds similar to the Issuer managed by the Collateral Manager), its partners, its members or their employees and their Affiliates ("**Related Entities**") have invested and may continue to invest in debt obligations that would also be appropriate as Collateral Obligations and may purchase or sell securities and loans for or on behalf of themselves and their managed accounts without purchasing or selling such securities or loans for the Issuer and may purchase or sell securities or loans for the Issuer without purchasing or selling such securities or loans for themselves or their managed accounts, subject to any restrictions applicable in the Investment Advisers Act. Neither the Collateral Manager nor any Related Entity has any duty, in making or maintaining such investments, to act in a way that is favorable to the Issuer or to offer any such opportunity to the Issuer. The investment policies, fee arrangements and other circumstances applicable to such other parties may vary from those applicable to the Issuer. The Collateral Manager and its Related Entities may also have or establish relationships with companies whose debt obligations are Collateral Obligations and may now or in the future own or seek to acquire equity securities or debt obligations issued by issuers of Collateral Obligations, and such debt obligations may have interests different from or adverse to the securities that are Collateral Obligations. The Collateral Manager and/or any Related Entity may in the future organize and manage one or more entities with objectives similar to or different from those of the Issuer. In addition, the Collateral Manager and any of its Related Entities may serve as a general partner and/or manager of limited partnerships or other entities organized to issue notes or certificates, similar to the Notes, which are secured by high-yield debt securities, loans and other investments, or may manage third party accounts which invest in high-yield debt securities, loans and other investments. The Collateral Manager and/or any Related Entity may also provide other advisory services for a customary fee to issuers whose debt obligations or other securities are Collateral Obligations, and neither the holders of Notes nor the Co-Issuers shall have any right to such fees. In connection with the foregoing activities the Collateral Manager and/or any Related Entity may from time to time come into possession of material nonpublic information that limits the ability of the Collateral Manager to effect a transaction for the Issuer, and the Issuer's investments may be constrained as a consequence of the Collateral Manager's inability to use such information for advisory purposes or otherwise to effect transactions that otherwise may have been initiated on behalf of its clients, including the Issuer. See "The Collateral Manager".

Furthermore, the Collateral Manager's ability to advise the Issuer to buy securities for inclusion in the Assets or sell securities which are part of the Assets may be restricted by limitations contained in the Collateral Management Agreement and the Indenture or under applicable law. Accordingly, during certain periods or in certain specified circumstances, the Issuer may be unable to buy or sell securities or to take other actions that the Collateral Manager might consider in the best interest of the Issuer and the holders of Notes. The Collateral Manager and any

of its Affiliates may engage in any other business and furnish investment management and advisory services to others, which may include, without limitation, serving as collateral manager or investment manager for, investing in, lending to, or being affiliated with, other entities organized to issue collateralized bond or debt obligations secured by securities similar to the Collateral Obligations and other trusts and pooled investment vehicles that acquire interests in, provide financing to, or otherwise deal with securities issued by, issuers that would be suitable investments for the Issuer. The Collateral Manager will be free, in its sole discretion, to make recommendations to others, or effect transactions on behalf of itself or for others, that may be the same as or different from those effected on behalf of the Issuer, and the Collateral Manager may furnish investment management and advisory services to others who may have investment policies similar to those followed by the Collateral Manager with respect to the Issuer and who may own securities which are the same type as the Collateral Obligations.

The Collateral Manager may make recommendations and effect transactions on behalf of its Related Entities which differ from those effected with respect to the Assets. The Collateral Manager may often be seeking simultaneously to purchase investments for the Issuer, itself and similar entities or other investment accounts for which it serves as collateral manager or for Related Entities, and the Collateral Manager will have the discretion to apportion such investments among such entities. The Collateral Manager cannot assure equal treatment across its investment clients. When the Collateral Manager determines that it would be appropriate for the Issuer and one or more Related Entities to participate in an investment opportunity, the Collateral Manager will seek to execute orders for all of the participating investment accounts, including the Issuer and its own account, on an equitable basis. If the Collateral Manager has determined to invest at the same time for more than one of the Related Entities, the Collateral Manager will generally place combined orders for all such Related Entities simultaneously and if all such orders are not filled at the same price, it will generally average the prices paid. Similarly, if an order on behalf of more than one Related Entity cannot be fully executed under prevailing market conditions, the Collateral Manager will allocate the investments traded among the Issuer and different Related Entities on a basis that it considers equitable. Situations may occur where the Issuer could be disadvantaged because of the investment activities conducted by the Collateral Manager for the Related Entities.

The Collateral Manager may participate in creditors committees with respect to the bankruptcy, restructuring or workout of issuers of Collateral Obligations. In such circumstances, the Collateral Manager may take positions on behalf of itself or Related Entities that are adverse to the interests of the Issuer in the Collateral Obligations.

The Collateral Manager has advised the Issuer that, on the Closing Date, one or more of its Affiliates or funds or accounts managed by the Collateral Manager or one of its Affiliates intend to acquire (a) U.S.$24,350,000 in aggregate principal amount of the Class A1 Notes, (b) U.S.$1,550,000 in aggregate principal amount of the Class A-F Notes, (c) U.S.$300,000 in aggregate principal amount of the Class AX Notes, (d) U.S.$2,550,000 in aggregate principal amount of the Class B1 Notes, (e) U.S.$215,000 in aggregate principal amount of the Class B-F Notes, (f) U.S.$1,500,000 in aggregate principal amount of the Class C Notes, (g) U.S.$1,500,000 in aggregate principal amount of the Class D Notes, (h) U.S.$1,350,000 in aggregate principal amount of the Class E Notes and (i) U.S.$11,200,000 in aggregate principal amount of the Subordinated Notes (collectively, the "**Initial Collateral Manager Notes**"). If the Collateral Manager or one or more of its Affiliates acquires the Initial Collateral Manager Notes, the Collateral Manager and/or such Affiliates will acquire such Collateral Manager Notes at a price and with an interest rate negotiated with the Initial Purchaser. Such price and rate may not reflect the market price and interest rate that the Co-Issuers could obtain in a sale of such Notes to a party other than the Collateral Manager or any of its Affiliates. Such a sale to the Collateral Manager and/or its Affiliates could result in less initial proceeds from the sale of the Notes and/or greater interest expense for the Co-Issuers. The Collateral Manager has advised the Issuer that such Affiliate(s), fund(s) or account(s) currently intend to hold the Initial Collateral Manager Notes. Notwithstanding such intention, there is no requirement that the Initial Collateral Manager Notes be held by such party or parties and the Initial Collateral Manager Notes may be sold by such party or parties to related and unrelated parties at any time after the Closing Date; *provided*, *however*, that the Collateral Manager may agree with one or more Holders of the Subordinated Notes to retain all or a portion of the Initial Collateral Manager Notes, as described under "Risk Factors—Relating to the Collateral Manager—The Collateral Manager may enter into arrangements with holders of the Subordinated Notes relating to retention of the Notes and creating certain obligations". On the Closing Date, the Initial Collateral Manager Notes will constitute Collateral Manager Notes. Collateral Manager Notes will be disregarded and have no voting rights under the limited circumstances described

under "The Collateral Management Agreement—Removal, Resignation and Replacement of the Collateral Manager". The investment in a portion of the Subordinated Notes and certain of the Secured Notes by one or more such Affiliates, funds or accounts may give the Collateral Manager an incentive to take actions that may vary from the interests of the holders of Secured Notes.

The Collateral Manager's duties and obligations under the Collateral Management Agreement are owed solely to the Issuer (and, to the extent of the Issuer's collateral assignment of its rights under the Collateral Management Agreement, the Trustee). The Collateral Manager is not in contractual privity with, and owes no separate duties or obligations to, any of the holders of the Secured Notes and the Subordinated Notes. Actions taken by the Collateral Manager may differentially affect the interests of the various Classes of Notes (whose Holders may themselves have different interests), and except as provided in the Collateral Management Agreement the Collateral Manager has no obligation to consider such differential effects or different interests.

After the Non-Call Period, the Collateral Manager can subject one or more Classes of Notes to a Re-Pricing. The investment in, and ownership of, the Collateral Manager Notes may give the Collateral Manager incentive to subject one or more Class of Secured Notes to a Re-Pricing and, in particular, to subject Notes of one or more Classes, other than the Class or Classes of which the Collateral Manager Notes are a part, to such a Re-Pricing.

Certain Affiliates of the Collateral Manager are also providing collateral in support of warehouse financing to the Issuer in order to permit the Issuer to acquire certain of the Collateral Obligations prior to the Closing Date. For further details, see "—Relating to the Collateral Obligations—Acquisition of initial Collateral Obligations before the Closing Date" above.

The Issuer will be subject to various conflicts of interest involving Jefferies and its affiliates.

Jefferies will act as the Initial Purchaser 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. Certain of the Collateral Obligations acquired by the Issuer may be obligations of issuers or obligors for which Jefferies or any of its affiliates has acted as a structuring or syndication agent, a manager, an underwriter, an agent, a placement agent, an initial purchaser or a principal, or of which Jefferies or any of its affiliates is an equity owner or creditor or with which Jefferies or any of its affiliates has other business relationships.

The Collateral Manager may purchase or sell Collateral Obligations from time to time through Jefferies or its affiliates at market prices. Any purchases of Collateral Obligations described above involving Jefferies or any of its affiliates may only be effected by the Issuer if the Collateral Manager determines that such purchases are consistent with the investment guidelines and objectives of the Issuer and the restrictions prescribed by the Indenture. In any event, all of such purchases and sales of Assets will be required to be on an arm's length basis.

Jefferies and its affiliates may be actively engaged in transactions in some of the same Collateral Obligations in which the Issuer may invest. Such transactions may be different from those made on behalf of the Issuer. Subject to applicable law, Jefferies and its affiliates may purchase or sell the securities of, or otherwise invest in or finance or provide investment banking, advisory and other services to companies in which the Issuer has an interest or in which the Collateral Manager, its affiliates or funds or accounts managed by the Collateral Manager or its affiliates has an interest. Jefferies and its affiliates may also have a proprietary interest in, and may manage or advise other accounts or investment funds that have investment objectives similar or dissimilar to those of the Issuer and/or which engage in transactions in, the same types of assets as the Issuer. As a result, Jefferies and its affiliates may possess information relating to obligors on or issuers of Collateral Obligations that will not be known to the Collateral Manager. Neither Jefferies nor any of its respective affiliates is under any obligation to share any investment opportunity, idea or strategy with the Collateral Manager or the Issuer. As a result, Jefferies and its affiliates may compete with the Issuer for appropriate investment opportunities and will be under no duty or obligation to share such investment opportunities with the Issuer. In addition, Jefferies, its affiliates and Jefferies' and its affiliates' respective clients may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, the Collateral Obligations. None of Jefferies or its affiliates assumes any responsibility for, or has any obligations in respect of, the Issuer, or in ensuring that any of its activities described above take into account the interests of the Issuer or any Noteholders.

Jefferies and/or its affiliates may own positions in, and may 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 be providing, investment banking services and other services to obligors of certain Collateral Obligations. It is expected that from time to time the Collateral Manager may purchase from, or sell Collateral Obligations through or to, Jefferies and its affiliates. In addition, Jefferies or one or more of its affiliates may act as the selling institution with respect to Participations or as a Hedge Counterparty. Any of Jefferies and its affiliates may act as placement agent and/or initial purchaser in other transactions involving the issuance of collateralized debt obligations or other investment funds with assets similar to those of the Issuer, the existence of which may have an adverse effect from time to time on the availability of eligible Collateral Obligations for purchase by the Issuer.

An affiliate of Jefferies, as Warehouse Provider, is also providing warehouse financing to the Issuer to permit acquisitions of Collateral Obligations prior to the Closing Date. For further details, see "—Acquisition of initial Collateral Obligations before the Closing Date." In connection with this warehouse financing facility, the Warehouse Provider has the right to approve all assets acquired by the Issuer or the Warehouse SPE, and, in certain circumstances, has the right to require or approve sales of assets by the Issuer or the Warehouse SPE. The Warehouse Provider will exercise those rights solely for its own benefit and in a manner that protects its rights and interests. None of Jefferies, the Warehouse Provider or any of their affiliates has done, and none of Jefferies, the Warehouse Provider nor any of their affiliates will do, any analysis of the Collateral Obligations acquired or sold by the Issuer or the Warehouse SPE for the benefit of, or in a manner designed to further the interests of, any holder of Notes.

The Issuer also may invest in Loans to companies affiliated with Jefferies or in which Jefferies 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 Jefferies' or an affiliate's own investments in such companies.

In addition, on the Closing Date, Jefferies or its affiliates may, but are not under any obligation, to purchase for its or their own account all or some of the Notes of any Class, and no assurance is given that Jefferies or its affiliates will do so. In addition, from time to time after the Closing Date, Jefferies or its affiliates may buy or sell Notes for its or their own account or for re-packaging purposes, or enter into transactions related or linked to all or some of the Notes. In the future, Jefferies or its affiliates may, but will not be required to, repurchase and resell any of the Notes in market-making transactions.

Jefferies will be paid a fee by the Issuer on the Closing Date for its services to the Issuer as the Initial Purchaser, which fee has been included among the transactional and closing expenses used to determine the amount of the net proceeds resulting from the issuance and sale of the Notes.

DESCRIPTION OF THE NOTES

The Indenture and the Secured Notes

The Secured Notes will be issued pursuant to the Indenture and will be secured obligations of the Issuer. The following summary describes certain provisions of the Secured Notes and the Indenture and, to a limited extent, the Subordinated Notes. The summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Indenture. Additional information regarding the Subordinated Notes appears under "—The Subordinated Notes".

Status and security

The Secured Notes will be limited recourse obligations of the Co-Issuers (or the Issuer, in the case of the Class E Notes) secured as described below, and will rank in priority with respect to each other and the Subordinated Notes as described herein. Under the terms of the Indenture, the Issuer will grant to the Trustee for the benefit of the Secured Parties a security interest in the Assets to secure the Issuer's obligations under the Indenture and the Secured Notes. See "Security for the Secured Notes".

Payments of interest and principal on the Secured Notes will be made from the proceeds of the Assets, in accordance with the priorities described under "Summary of Terms—Priority of Payments" and "—Priority of Payments". The aggregate amount that will be available from the Assets for payment on the Secured Notes and of certain expenses of the Co-Issuers on any Payment Date prior to the occurrence of an Enforcement Event will be the sum of Interest Proceeds and Principal Proceeds for the related Collection Period; *provided* that during the Reinvestment Period, it is expected that Principal Proceeds (and after the Reinvestment Period, any Eligible Post-Reinvestment Proceeds) will be reinvested in additional Collateral Obligations, unless otherwise required by the Priority of Payments. To the extent that the proceeds of the Assets are insufficient to meet payments due in respect of the Secured Notes and expenses following liquidation of the Assets, the Co-Issuers will have no obligation to pay such deficiency.

Interest on the Secured Notes

The Secured Notes will bear stated interest from the Closing Date and such interest will be payable quarterly in arrears on each Payment Date at the applicable Interest Rate indicated under "Summary of Terms—Principal Terms of the Notes" on the Aggregate Outstanding Amount thereof on the first day of the related Interest Accrual Period (after giving effect to payments of principal thereof on such date).

Any payment of interest due on the Class C Notes, the Class D Notes or the Class E Notes on any Payment Date to the extent sufficient funds are not available to make such payment in accordance with the Priority of Payments on such Payment Date, but only if one or more Classes of Notes more senior to such Class is outstanding, shall constitute Secured Note Deferred Interest and will not be considered due and payable on such Payment Date, but will be deferred and added to the principal balance of the applicable Class of Secured Notes and, thereafter, will bear interest at the Interest Rate for such Class, until the earliest of (i) the Payment Date on which funds are available to pay such Secured Note Deferred Interest in accordance with the Priority of Payments, (ii) the Redemption Date with respect to such Class and (iii) the Stated Maturity of such Class, and the failure to pay such Secured Note Deferred Interest on such Payment Date will not be an Event of Default under the Indenture; *provided* that any such Secured Note Deferred Interest must, in any case, be paid no later than the earlier of the Redemption Date or Stated Maturity of such Class. Regardless of whether any more senior Class of Secured Notes is outstanding, to the extent that funds are not available on any Payment Date (other than the Redemption Date with respect to, or Stated Maturity of, the relevant Class of Secured Notes) to pay previously accrued Secured Note Deferred Interest, such previously accrued Secured Note Deferred Interest will not be due and payable on such Payment Date and any failure to pay such previously accrued Secured Note Deferred Interest on such Payment Date will not be an Event of Default under the Indenture. See "The Indenture—Events of Default". Interest may be deferred (i) on the Class C Notes as long as any Class A1 Notes, Class A-F Notes, Class AX Notes or Class B Notes are outstanding, (ii) on the Class D Notes as long as any Class A1 Notes, Class A-F Notes, Class AX Notes, Class B Notes or Class C Notes are outstanding and (iii) on the Class E Notes as long as any Class A1 Notes, Class A-F

Notes, Class AX Notes, Class B Notes, Class C Notes or Class D Notes are outstanding. Interest will cease to accrue on Secured Note Deferred Interest on the date of payment thereof.

If any interest due and payable in respect of any Class A1 Note, Class A-F Note, Class AX Note or Class B Note (or, if there are no Class A1 Notes, Class A-F Notes, Class AX Notes or Class B Notes outstanding, any Class C Note, or, if there are no Class A1 Notes, Class A-F Notes, Class AX Notes, Class B Notes or Class C Notes outstanding, any Class D Note, or, if there are no Class A1 Notes, Class A-F Notes, Class AX Notes, Class B Notes, Class C Notes or Class D Notes outstanding, any Class E Note) is not punctually paid or duly provided for on the applicable Payment Date, at the applicable Stated Maturity or on an applicable Redemption Date and such default continues for five Business Days (or, in the case of a failure to disburse due to an administrative error or omission by the Collateral Manager, the Trustee, the Collateral Administrator, or any Payment Agent (other than the Subordinated Note Issuing and Paying Agent), for ten Business Days after a trust officer of the Trustee receives written notice or has actual knowledge of such administrative error or omission), an Event of Default will occur. To the extent lawful and enforceable, interest on such defaulted interest will accrue at a per annum rate equal to the Interest Rate applicable to such Notes from time to time in each case until paid.

Interest on the Secured Notes (other than the Class A-F Notes and the Class B-F Notes) and, to the extent applicable, interest on Secured Note Deferred Interest and defaulted interest in respect thereof, will be calculated on the basis of the actual number of days elapsed in the applicable Interest Accrual Period *divided* by 360. Interest on the Class A-F Notes and the Class B-F Notes and interest on Secured Note Deferred Interest and defaulted interest in respect thereof will be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Calculation Agent will determine LIBOR for each Interest Accrual Period on the Interest Determination Date. The Issuer has initially appointed the Collateral Administrator as the Calculation Agent.

As soon as possible after 11:00 a.m. London time on each Interest Determination Date, but in no event later than 11:00 a.m. New York time on the London Banking Day immediately following each Interest Determination Date, the Calculation Agent will calculate the Interest Rate applicable to each Class of Secured Notes which bear interest based on LIBOR during the related Interest Accrual Period and the Note Interest Amount (in each case, rounded to the nearest cent, with half a cent being rounded upward) payable on the related Payment Date in respect of the related Interest Accrual Period. At such time, the Calculation Agent will communicate such rates and amounts to the Co-Issuers, the Trustee, the Paying Agents, Euroclear, Clearstream and the Collateral Manager. The Calculation Agent will also specify to the Co-Issuers the quotations upon which such Interest Rate for each Class of Secured Notes which bears interest based on LIBOR is based, and in any event the Calculation Agent shall notify the Co-Issuers before 5:00 p.m. (New York time) on every Interest Determination Date if it has not determined and is not in the process of determining any such Interest Rate or Note Interest Amount, together with its reasons therefor. The Calculation Agent's determination of the foregoing rates and amounts for any Interest Accrual Period will (in the absence of manifest error) be final and binding upon all parties.

The Issuer will agree that for so long as any Secured Notes remain outstanding there will at all times be a Calculation Agent which shall not control, be controlled by or be under common control with the Issuer or its Affiliates or the Collateral Manager or its Affiliates. The Calculation Agent may be removed by the Issuer or the Collateral Manager, on behalf of the Issuer, at any time. If the Calculation Agent is unable or unwilling to act as such or is removed by the Issuer or the Collateral Manager, on behalf of the Issuer, or if the Calculation Agent fails to determine any of the information required to be published via the Irish Stock Exchange, the Issuer or the Collateral Manager, on behalf of the Issuer, will be required to appoint promptly a replacement Calculation Agent which does not control and is not controlled by or under common control with the Issuer, the Collateral Manager or their respective Affiliates. The Calculation Agent may not resign its duties or be removed without a successor having been duly appointed.

Payments of interest to each Holder of the Secured Notes of each Class shall be made ratably among the Holders of the Secured Notes of such Class in the proportion that the Aggregate Outstanding Amount of the Secured Notes of such Class registered in the name of each such Holder at the close of business on the applicable Record Date bears to the Aggregate Outstanding Amount of all Notes of such Class on such Record Date.

The Class A1 Notes and Class A-F Notes are sub-classes of the Class A Notes that are entitled to receive payments of interest *pari passu* among themselves (for which purpose payments will be made to each sub-class *pro rata* according to the amount then due and payable to each sub-class). The Class B1 Notes and Class B-F Notes are sub-classes of the Class B Notes that are entitled to receive payments of interest *pari passu* among themselves (for which purpose payments will be made to each sub-class *pro rata* according to the amount then due and payable to each sub-class).

Principal of the Secured Notes

The Secured Notes of each Class will mature at par on the Stated Maturity, unless previously redeemed or repaid prior thereto as described herein. Principal will not be payable on the Secured Notes except with respect to (i) Secured Note Deferred Interest and in the limited circumstances described under "—Optional Redemption and Tax Redemption", "—Mandatory Redemption", "—Clean-Up Call Redemption", "—Special Redemption", "Summary of Terms—Priority of Payments—Application of Interest Proceeds", "Summary of Terms—Priority of Payments—Application of Principal Proceeds" and "—Priority of Payments" and (ii) payments of principal on the Class AX Notes during the Reinvestment Period to the extent provided in "Summary of Terms—Priority of Payments—Application of Interest Proceeds".

On each Payment Date prior to the occurrence of an Enforcement Event, Principal Proceeds (other than (i) amounts required to meet funding requirements with respect to Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations that are deposited in the Revolver Funding Account or (ii) during the Reinvestment Period (and, solely with respect to any Eligible Post-Reinvestment Proceeds, after the Reinvestment Period), Principal Proceeds and Interest Proceeds transferred to the Collection Account as Principal Proceeds pursuant to clause (P) of "Summary of Terms—Priority of Payments—Application of Interest Proceeds" that in each case have previously been reinvested in Collateral Obligations or that the Collateral Manager intends to invest in Collateral Obligations during the next Interest Accrual Period in accordance with the Investment Criteria) will be applied in accordance with the priorities set forth under "Summary of Terms—Priority of Payments—Application of Principal Proceeds". Upon the occurrence of an Enforcement Event, Interest Proceeds and Principal Proceeds will be applied in accordance with the Special Priority of Payments described under "—Priority of Payments".

At any time during which the Coverage Tests are not met, principal payments on the Secured Notes will be made as described under "—Mandatory Redemption".

The average life of each Class of Secured Notes is expected to be less than the number of years until the Stated Maturity of such Secured Notes. See "Risk Factors—Relating to the Notes—The weighted average lives of the Notes may vary".

Payments of principal to each Holder of the Secured Notes of each Class shall be made ratably among the Holders of the Secured Notes of such Class in the proportion that the Aggregate Outstanding Amount of the Secured Notes of such Class registered in the name of each such Holder at the close of business on the applicable Record Date bears to the Aggregate Outstanding Amount of all Secured Notes of such Class on such Record Date.

Optional Redemption and Tax Redemption

General—Redemption of Notes. The Secured Notes will be redeemable by the Co-Issuers or the Issuer, as applicable, on any Payment Date after the Non-Call Period, (i) at the written direction of a Majority of the Subordinated Notes in whole (with respect to all Classes of Secured Notes) but not in part from Sale Proceeds and/or (upon the written proposal of the Collateral Manager or any Subordinated Noteholder) Refinancing Proceeds or (ii) upon the written proposal of the Collateral Manager or any Subordinated Noteholder that is approved by a Majority of the Subordinated Notes, as provided below, in part by Class from Refinancing Proceeds (so long as the Secured Notes of any Class to be redeemed represent the entire Class of such Secured Notes). In connection with any such redemption (each such redemption, an "**Optional Redemption**"), the applicable Secured Notes shall be redeemed at the applicable Redemption Prices. To effect an Optional Redemption (i) in whole of the Secured Notes from Sale Proceeds but not from Refinancing Proceeds, a Majority of Subordinated Notes must provide the above described written direction to the Issuer, the Trustee and the Collateral Manager not later than 45 days prior to the Payment

Date on which such redemption is to be made (which date shall be designated in such notice) or (ii) of one or more Classes of Notes pursuant to a Refinancing (including, if Refinancing Proceeds are to be used in conjunction with Sale Proceeds in consummating an Optional Redemption in whole of the Secured Notes), the Collateral Manager or any Subordinated Noteholder must propose such Refinancing and the relevant Redemption Date to the holders of the Subordinated Notes in writing (with a copy to the Collateral Manager, the Trustee and the Rating Agencies) and such proposal must be approved by a Majority of the Subordinated Notes by notice to the Issuer and the Trustee not later than 15 days prior to the Payment Date on which such redemption is to be made; *provided* that all Secured Notes to be redeemed must be redeemed simultaneously.

Upon receipt of a notice of an Optional Redemption of the Secured Notes in whole but not in part (subject to the two immediately succeeding paragraphs with respect to a redemption from proceeds that include Refinancing Proceeds), the Collateral Manager in its sole discretion will direct the sale (and the manner thereof) of all or part of the Collateral Obligations and other saleable Assets in an amount sufficient that the proceeds from such sale and all other funds available for such purpose in the Collection Account and the Payment Account will be at least sufficient to pay the Redemption Prices of the Secured Notes, all Administrative Expenses (regardless of the Administrative Expense Cap) and any Senior Collateral Management Fee payable under "Summary of Terms—Priority of Payments—Application of Interest Proceeds". If such proceeds of such sale and all other funds available for such purpose in the Collection Account and the Payment Account would not be sufficient to redeem all Secured Notes and pay such fees and expenses, the Secured Notes may not be redeemed. The Collateral Manager, in its sole discretion, may effect the sale of all or any part of the Collateral Obligations or other Assets through the direct sale of such Collateral Obligations or other Assets or by participation or other arrangement (including any sale or other disposition of the Collateral Obligations in a single transaction).

In addition to (or in lieu of) a sale of Collateral Obligations and/or Eligible Investments in the manner provided above, the Secured Notes may, after the Non-Call Period, be redeemed in whole (but not in part) from Refinancing Proceeds and/or Sale Proceeds or be redeemed in part by Class from Refinancing Proceeds by obtaining a loan or other form of financing or through the issuance of replacement securities, the terms of which in each case may be negotiated by the Collateral Manager on behalf of the Issuer, from one or more financial institutions or purchasers, it being understood that any rating of such replacement securities by a Rating Agency will be based on a credit analysis specific to such replacement securities and independent of the rating of the Notes being refinanced (any such redemption and refinancing, a "**Refinancing**"); *provided* that the terms of such Refinancing and any financial institutions acting as lenders thereunder or purchasers thereof must be acceptable to the Collateral Manager and approved by a Majority of the Subordinated Notes, as specified above, and such Refinancing must otherwise satisfy the conditions described in the following two paragraphs, as applicable, below; *provided*, *further*, that in the case of any Refinancing, the Holders of the Notes of such refinanced Class shall have the right, subject to the same terms and conditions offered to other purchasers, to purchase such replacement securities or refinance such Notes. The Collateral Manager shall have no obligation to arrange or seek to arrange any Refinancing at any time, and any Refinancing shall be undertaken for the Issuer by the Collateral Manager in its sole discretion.

In the case of a Refinancing upon a redemption of the Secured Notes in whole but not in part as described above, such Refinancing will be effective only if (i) the Refinancing Proceeds, all Sale Proceeds from the sale of Collateral Obligations and Eligible Investments in accordance with the procedures set forth in the Indenture, and all other available funds (including, for the avoidance of doubt, any amounts that would have been otherwise distributed to the Holders of Subordinated Notes in accordance with the Priority of Payments on the Payment Date occurring on the Redemption Date relating to such Refinancing) will be at least sufficient to redeem simultaneously the Secured Notes, in whole but not in part, and to pay the other amounts included in the aggregate Redemption Prices and all accrued and unpaid Administrative Expenses (regardless of the Administrative Expense Cap), including the reasonable fees, costs, charges and expenses incurred by the Issuer, the Co-Issuer, the Trustee, the Collateral Manager and the Collateral Administrator (including reasonable attorneys' fees and expenses) in connection with such Refinancing, (ii) the Sale Proceeds, Refinancing Proceeds and other available funds are used (to the extent necessary) to make such redemption and (iii) the agreements relating to the Refinancing to which the Issuer is a party contain limited recourse and non-petition provisions equivalent (*mutatis mutandis*) to those contained in the Indenture.

In the case of a Refinancing upon redemption of any Class of Secured Notes as described above, such Refinancing will be effective only if (i) for each Class of Notes that would not be redeemed in connection with such Refinancing, the Priority Classes' Aggregate Interest Amount after giving effect to such Refinancing would be less than or equal to the Priority Classes' Aggregate Interest Amount immediately before giving effect to such Refinancing, (ii) the Refinancing Proceeds will be at least sufficient to redeem simultaneously each applicable Class of Secured Notes and to pay the other amounts included in the aggregate Redemption Price for each such Class of Secured Notes and all accrued and unpaid Administrative Expenses (regardless of the Administrative Expense Cap), including the reasonable fees, costs, charges and expenses incurred by the Co-Issuers, the Trustee, the Collateral Manager and the Collateral Administrator (including reasonable attorneys' fees and expenses) in connection with such Refinancing, (iii) the Refinancing Proceeds are used (to the extent necessary) to make such redemption, (iv) the agreements relating to the Refinancing to which the Issuer is a party contain limited recourse and non-petition provisions equivalent (*mutatis mutandis*) to those contained in the Indenture, (v) the Issuer provides notice to each Rating Agency of the Refinancing, (vi) the obligations issued in connection with such Refinancing shall have a maturity date that is the same or later than the Stated Maturity of the Secured Notes being redeemed, (vii) the principal balance of the obligations issued in connection with such Refinancing (in the aggregate) is not greater than the Aggregate Outstanding Amount of the Secured Notes being redeemed (in the aggregate) (except that if the most junior Class of Secured Notes is being redeemed, the principal balance of the Refinancing may exceed the Aggregate Outstanding Amount of such Secured Notes), (viii) the obligations issued in connection with the Refinancing are subject to the Priority of Payments and do not rank higher in priority pursuant to the Priority of Payments than the Class of Secured Notes being redeemed and (ix) the voting rights, consent rights, redemption rights and all other rights of the obligations issued in connection with the Refinancing are substantially similar in all material respects to the corresponding rights of the Class of Secured Notes being redeemed.

Neither the holders of the Subordinated Notes nor any of the Secured Parties will have any cause of action against any of the Co-Issuers, the Collateral Manager, the Collateral Administrator, the Subordinated Note Issuing and Paying Agent, the Trustee or any other Person for any failure to consummate a Refinancing; and, notwithstanding anything to the contrary herein, the failure to consummate a Refinancing will not constitute an Event of Default. If a Refinancing is obtained meeting the requirements specified above as certified by the Collateral Manager, the Issuer and the Trustee shall amend the Indenture to the extent necessary to reflect the terms of the Refinancing (which terms may include restrictions on any future Refinancings); and, notwithstanding anything to the contrary in the Indenture (including those terms of the Indenture described under "—Modification of Indenture" below), no further consent for such amendments shall be required from the holders of Notes other than, to the extent specified above, holders of the Subordinated Notes approving such redemption by Refinancing. The Trustee will not be obligated to enter into any amendment that, in its view, adversely affects its duties, obligations, liabilities or protections under the Indenture, and the Trustee will be entitled to conclusively rely upon an officer's certificate and/or Opinion of Counsel as to matters of law (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such Opinion of Counsel) provided by the Issuer or the Collateral Manager to the effect that such amendment meets the requirements specified above and is permitted under the Indenture (except that such officer or counsel will have no obligation to certify or opine as to the sufficiency of the Refinancing Proceeds).

In the event of any Optional Redemption, the Issuer shall, at least 12 days prior to the Redemption Date, notify the Trustee in writing of such Redemption Date, the applicable Record Date, the principal amount of Notes to be redeemed on such Redemption Date and the applicable Redemption Prices.

Tax Redemption. The Notes shall also be redeemed in whole but not in part (any such redemption, a "**Tax Redemption**") at the written direction (delivered to the Trustee) of a Majority of the Subordinated Notes following (I) the occurrence and continuation of a Tax Event with respect to payments under one or more Collateral Obligations forming part of the Collateral which results in a payment by, or charge or tax burden to, the Issuer that results or will result in the withholding of 5% or more of scheduled distributions for any Collection Period, (II) the occurrence and continuation of a Tax Event resulting in a tax burden on the Issuer in an aggregate amount in any Collection Period in excess of U.S.$1,000,000 or (III) the occurrence of a Tax Event relating to FATCA as specified in the definition of "Tax Event". To effect a Tax Redemption, a Majority of the Subordinated Notes must provide written notice to the Issuer, the Trustee and the Collateral Manager not later than 45 days prior to the Payment Date on which such redemption is to be made (which date shall be designated in such notice). In connection with any Tax

Redemption, holders of 100% of the Aggregate Outstanding Amount of any Class of Secured Notes may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the holders of such Class of Secured Notes.

The Subordinated Notes may be redeemed, in whole but not in part, on any Payment Date on or after the redemption or repayment in full of the Secured Notes, at the direction of the Collateral Manager or a Majority of the Subordinated Notes. See "—The Subordinated Notes".

Redemption Procedures. Notice of an Optional Redemption or Tax Redemption will be given by the Trustee by first-class mail, postage prepaid, mailed not later than nine days prior to the applicable Redemption Date to each holder of Notes at such holder's address in the applicable register maintained by the registrar under the Indenture and the Subordinated Note Issuing and Paying Agency Agreement and each Rating Agency. In addition, for so long as any Notes are listed on the Irish Stock Exchange and so long as the guidelines of such exchange so require, notice of Optional Redemption or Tax Redemption to the holders of such Notes shall also be given by publication via the Irish Stock Exchange and to the Irish Listing Agent. Notes called for redemption must be surrendered at the office of any Paying Agent. The initial Paying Agents for the Notes will be the Trustee.

The Co-Issuers (or the Collateral Manager on their behalf) will have the option to withdraw any such notice of an Optional Redemption on any day up to and including the day which is one Business Days prior to the applicable Redemption Date. Any withdrawal of such notice of an Optional Redemption will be made by written notice to the Trustee, the Rating Agencies and the Collateral Manager. If the Co-Issuers (or the Collateral Manager on their behalf) so withdraw or are deemed to withdraw any notice of an Optional Redemption, the proceeds received from the sale of any Collateral Obligations and other Assets sold in contemplation of such redemption may, at the Collateral Manager's sole discretion, be reinvested in accordance with the provisions of the Indenture described in "Security for the Secured Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" (to the extent reinvestment is permissible in accordance with the provisions thereof). If any notice of Optional Redemption is neither withdrawn nor deemed to have been withdrawn and the proceeds of the sale or other disposition of the Collateral Obligations are not sufficient to pay the Redemption Price of each Class of Secured Notes, including as a result of the failure of any sale or other disposition of all or any portion of the Collateral Obligations to settle on the Business Day immediately preceding the applicable Redemption Date, (I) the Secured Notes will be due and payable on such Redemption Date and the failure to pay the Redemption Price for such Secured Notes shall constitute an Event of Default under the Indenture and (II) all available sale proceeds from the sale or other disposition of the Collateral Obligations (net of any expenses incurred in connection with such sale or other disposition) will be distributed in accordance with the Priority of Payments.

Unless Refinancing Proceeds are being used exclusively to redeem the Secured Notes in whole or to redeem one or more Classes of Secured Notes, in the event of any Optional Redemption or Tax Redemption, no Secured Notes may be optionally redeemed unless (i) at least five Business Days before the scheduled Redemption Date the Collateral Manager shall have furnished to the Trustee evidence (which may be in the form of an officer's certificate) in a form reasonably satisfactory to the Trustee that the Issuer or the Collateral Manager on behalf of the Issuer has entered into a binding agreement or agreements with a financial or other institution or institutions whose short-term unsecured debt obligations (other than such obligations whose rating is based on the credit of a person other than such institution) are rated, or guaranteed by a Person whose short-term unsecured debt obligations are rated, at least "P-1" by Moody's to sell (directly or by participation or other arrangement), not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Assets at a purchase price at least sufficient, together with the Eligible Investments maturing, redeemable or putable to the issuer thereof at par on or prior to the scheduled Redemption Date, to pay all Administrative Expenses (regardless of the Administrative Expense Cap) and any Senior Collateral Management Fee payable in accordance with the Priority of Payments and redeem all of the Secured Notes on the scheduled Redemption Date at the applicable Redemption Prices (or in the case of any Class of Secured Notes, such lesser amount that the holders of such Class have elected to receive, in the case of a Tax Redemption where holders of such Class have elected to receive less than 100% of the Redemption Price that would otherwise be payable to the holders of such Class), or (ii) prior to selling any Collateral Obligations and/or Eligible Investments, the Collateral Manager shall certify to the Trustee that, in its judgment, the aggregate sum of (A) expected proceeds from the sale of Eligible Investments, (B) for each Collateral Obligation, the product of its Principal Balance and its Market Value and its Applicable Advance

Rate less the amount of any expenses expected to be incurred in connection with such sale (including any commission payable in connection with the sale of any Collateral Obligations) and (C) any available cash shall exceed the sum of (x) the aggregate Redemption Prices (or in the case of any Class of Secured Notes, such other amount that the holders of such Class have elected to receive, in the case of a Tax Redemption where holders of such Class have elected to receive less than 100% of the Redemption Price that would otherwise be payable to the holders of such Class) of the outstanding Secured Notes and (y) all Administrative Expenses (regardless of the Administrative Expense Cap) and any Senior Collateral Management Fee payable under the Priority of Payments. If Refinancing Proceeds are being used to redeem the Secured Notes in whole or to redeem one or more Classes of Secured Notes, no Secured Notes may be optionally redeemed unless at least five Business Days before the scheduled Redemption Date, the Collateral Manager shall have furnished the Trustee evidence (which may be in the form of an officer's certificate) in a form reasonably satisfactory to the Trustee that the Issuer and/or the Co-Issuers or the Collateral Manager, on behalf of the Issuer and/or the Co-Issuers, has entered a binding agreement or agreements necessary to effect the Refinancing and that upon consummation of the Refinancing contemplated by such agreement or agreements, subject to performance of the obligations of each other party to such agreement or agreements, the applicable conditions set forth in the Indenture will be satisfied. Any certification delivered by the Collateral Manager pursuant to this section "Optional Redemption—Redemption Procedures" must include (as applicable) (1) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Obligations and/or Eligible Investments and (2) all calculations required by this section "Optional Redemption—Redemption Procedures". Any holder of Notes, 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 Assets to be sold as part of an Optional Redemption or Tax Redemption. If the Collateral Manager determines, at any time prior to the applicable Redemption Date, that, based on information reasonably available to the Collateral Manager, in its judgment, it is not reasonably likely to be able to deliver evidence of the sale agreement or agreements referred to in clause (i) above, the certification referred to in clause (ii) above or the certification referred to in the second sentence of this paragraph, the Collateral Manager shall promptly notify the Trustee. Upon receipt of such notice, (1) the Trustee will notify the Issuer and the Subordinated Note Issuing and Paying Agent of such determination by the Collateral Manager and (2) the notice of Tax Redemption or Optional Redemption shall be deemed to have been withdrawn by the Co-Issuers and any obligation of the Issuer to complete a Tax Redemption or Optional Redemption on such Payment Date shall immediately be terminated.

Notice of redemption shall be given by the Co-Issuers or, upon an issuer order, by the Trustee in the name and at the expense of the Co-Issuers. Failure to give notice of redemption, or any defect therein, to any holder of any Note selected for redemption shall not impair or affect the validity of the redemption of any other Notes.

If any Secured Note called for redemption shall not be paid upon surrender thereof for redemption, the principal thereof shall, until paid, bear interest from the Redemption Date at the applicable Interest Rate for each successive Interest Accrual Period such Note remains outstanding; *provided* that the reason for such non-payment is not the fault of the relevant Noteholder.

Mandatory Redemption

If a Coverage Test (as described under "Security for the Secured Notes—The Coverage Tests and the Interest Diversion Test") is not met on any Determination Date on which such Coverage Test is applicable, the Issuer will be required to apply available amounts in the Payment Account pursuant to the Priority of Payments on the related Payment Date to make payments in accordance with the Note Payment Sequence (a "**Mandatory Redemption**") to the extent necessary to achieve compliance with such Coverage Tests, as described under "Summary of Terms—Priority of Payments".

Special Redemption

The Secured Notes will be subject to redemption in part by the Co-Issuers or the Issuer, as applicable, on any Payment Date (i) during the Reinvestment Period, if the Collateral Manager notifies the Trustee at least five Business Days prior to the applicable Special Redemption Date that it has been unable, for a period of at least 20 consecutive Business Days, to identify additional Collateral Obligations that are deemed appropriate by the Collateral Manager and which would meet the criteria for reinvestment described under "Security for the Secured

Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Collection Account that are to be invested in additional Collateral Obligations (a "**Reinvestment Special Redemption**") or (ii) after the Effective Date, if the Collateral Manager notifies the Trustee that a redemption is required in order to obtain from Moody's its written confirmation (which may take the form of a press release or other written communication) of its initial rating(s) of the Secured Notes (a "**Ratings Special Redemption**", and together with a Reinvestment Special Redemption, a "**Special Redemption**"); *provided* that such confirmation from Moody's is not required if the Issuer has provided to Moody's a Passing Report or the Moody's Rating Condition has been satisfied (both as described in the Indenture). Any such notice in connection with a Reinvestment Special Redemption shall be based upon the Collateral Manager having attempted, in accordance with the standard of care set forth in the Collateral Management Agreement, to identify additional Collateral Obligations as described above. On the first Payment Date (and all subsequent Payment Dates) following the Collection Period in which notice is given in connection with a Special Redemption (a "**Special Redemption Date**"), the amount in the Collection Account representing (1) in the case of a Reinvestment Special Redemption, Principal Proceeds available in accordance with the Priority of Payments which the Collateral Manager has determined cannot be reinvested in additional Collateral Obligations or (2) in the case of a Ratings Special Redemption, all Interest Proceeds and all other Principal Proceeds available in accordance with the Priority of Payments, will in each case, be applied in accordance with the Priority of Payments. In the case of a Ratings Special Redemption, such amounts will be applied in accordance with the Note Payment Sequence in an amount sufficient to cause Moody's to provide written confirmation (which may take the form of a press release or other written communication) of its initial rating(s) of the Secured Notes as described in "Use of Proceeds—Effective Date". Notice of a Special Redemption will be given by the Trustee not less than (x) in the case of a Reinvestment Special Redemption, three Business Days prior to the applicable Special Redemption Date and (y) in the case of a Ratings Special Redemption, two Business Days prior to the applicable Special Redemption Date, in each case by facsimile, email transmission or first class mail, postage prepaid, to each holder of Secured Notes affected thereby at such holder's facsimile number, email address or mailing address in the applicable register maintained by the applicable registrar under the Indenture. In addition, for so long as any Notes are listed on the Irish Stock Exchange and so long as the guidelines of such exchange so require, notice of Special Redemption to the holders of such Notes shall also be given by publication via the Irish Stock Exchange and to the Irish Listing Agent.

Clean-Up Call Redemption

At the written direction of the Collateral Manager to the Issuer and the Trustee, with copies to the Rating Agencies, at least 20 Business Days prior to the proposed Redemption Date, the Notes will be subject to redemption by the Issuer, in whole but not in part (a "**Clean-Up Call Redemption**"), at the Redemption Price therefor, on any Business Day after the Non-Call Period on which the Collateral Principal Amount is less than 20% of the Target Initial Par Amount; *provided* that the Notes will not be so redeemed if a Majority of the Subordinated Notes, upon written notice delivered to the Issuer, the Trustee, the Subordinated Note Issuing and Paying Agent and the Collateral Manager not less than 10 Business Days prior to the Redemption Date, object to such Clean-Up Call Redemption.

Any Clean-Up Call Redemption is subject to (i) the settlement of the sale of all the Assets (other than the Eligible Investments referred to in clause (4) of this sentence) to the Collateral Manager or any other Person, on or prior to the fifth Business Day immediately preceding the related Redemption Date, for a purchase price in cash (the "**Clean-Up Call Redemption Price**") at least equal to the greater of (A) the sum of (1) the Aggregate Outstanding Amount of the Secured Notes, *plus* (2) accrued and unpaid interest thereon (including interest on any accrued and unpaid Secured Note Deferred Interest, in the case of the Class C Notes, Class D Notes and Class E Notes) to the date of such redemption, *plus* (3) the aggregate of all other amounts owing by the Co-Issuers on the date of such redemption that are payable in accordance with the Priority of Payments prior to distributions in respect of the Subordinated Notes (including all Management Fees and Administrative Expenses (without regard to the Administrative Expense Cap) of the Co-Issuers), *minus* (4) the balance of the Eligible Investments in the Collection Account and (B) the Market Value of such Assets being purchased, and (ii) at least five Business Days before the scheduled Redemption Date the Collateral Manager shall have furnished to the Trustee evidence (which may be in the form of an officer's certificate) in a form reasonably satisfactory to the Trustee that the Issuer or the Collateral Manager on behalf of the Issuer has entered into a binding agreement or agreements with a financial or other

institution or institutions whose short-term unsecured debt obligations (other than such obligations whose rating is based on the credit of a person other than such institution) are rated, or guaranteed by a Person whose short-term unsecured debt obligations are rated, at least "P-1" by Moody's to purchase (directly or by participation or other arrangement), not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Assets at a purchase price at least sufficient, together with the Eligible Investments maturing, redeemable or putable to the issuer thereof at par on or prior to the scheduled Redemption Date, to satisfy clause (i) or the receipt by the Trustee from the Collateral Manager, prior to such purchase, of a certification from the Collateral Manager that the sum so received satisfies clause (i). Upon receipt by the Trustee of the certification referred to in the preceding sentence, the Trustee (pursuant to written direction from the Issuer) and the Issuer will take all actions necessary to sell, assign and transfer the Assets to the Collateral Manager or such other Person upon payment in immediately available funds of the Clean-Up Call Redemption Price. The Trustee will deposit such payment into the Collection Account in accordance with the instructions of the Collateral Manager.

Upon receipt from the Collateral Manager of a direction in writing to effect a Clean-Up Call Redemption, the Issuer will set the related Redemption Date (which shall be the next succeeding Payment Date) and the Record Date and give written notice thereof to the Trustee, the Collateral Administrator, the Collateral Manager and the Rating Agencies not later than 15 Business Days prior to the proposed Redemption Date. A notice of redemption will be given by first-class mail, postage prepaid, mailed not later than 10 Business Days prior to the applicable Redemption Date, to each holder of Notes, at such holder's address in the register maintained by the registrar under the Indenture or under the Subordinated Note Issuing and Paying Agency Agreement, as applicable. So long as any Notes are listed on the Irish Stock Exchange and so long as the guidelines of such exchange so require, such a notice of redemption shall also be given to the holders thereof by publication via the Irish Stock Exchange and the Irish Listing Agent.

Any notice of a Clean-Up Call Redemption may be withdrawn by the Issuer up to the fourth Business Day prior to the related scheduled Redemption Date by written notice to the Trustee and the Rating Agencies only if amounts equal to the Clean-Up Call Redemption Price are not received in full in immediately available funds by the fifth Business Day immediately preceding such Redemption Date. The Trustee will give notice of any such withdrawal of a Clean-Up Call Redemption, at the expense of the Issuer, to each holder of Notes that were to be redeemed at such holder's address in the Register, by overnight courier guaranteeing next day delivery not later than the third Business Day prior to the related scheduled Redemption Date. So long as any Notes are listed on the Irish Stock Exchange and the guidelines of such exchange so require, the Trustee will also provide a copy of the notice of such withdrawal to the Irish Listing Agent for delivery to the Irish Stock Exchange.

On the Redemption Date related to any Clean-Up Call Redemption, the Clean-Up Call Redemption Price will be distributed pursuant to the Priority of Payments.

Re-Pricing

On the Payment Date on which the Non-Call Period ends or on any Business Day after the Non-Call Period, at the written direction of a Majority of the Subordinated Notes, the Issuer or the Co-Issuers (or the Collateral Manager on behalf of the Issuer or the Co-Issuers, as applicable) will, in the case of any Class or sub-class of Secured Notes which bears interest based upon a spread above LIBOR as specified under "Summary of Terms—Principal Terms of the Notes" (other than the Class A1 Notes and the Class A-F Notes), reduce the spread over LIBOR applicable with respect to such Class or sub-class of Secured Notes to the spread specified in such direction, and, in the case of any Class or sub-class of Secured Notes which bears interest at a fixed rate as specified under "Summary of Terms—Principal Terms of the Notes", reduce such fixed rate applicable with respect to such Class or sub-class of Secured Notes to the rate specified in such direction (any such reduction with respect to any such Class of Notes, a "**Re-Pricing**" and any Class or sub-class of Secured Notes to be subject to a Re-Pricing, a "**Re-Priced Class**"); *provided* that the Issuer and/or the Co-Issuers will not effect any Re-Pricing unless each condition specified below is satisfied with respect thereto. For the avoidance of doubt, no terms of any Secured Notes other than the Interest Rate applicable thereto may be modified or supplemented in connection with a Re-Pricing. In connection with any Re-Pricing, the Issuer or the Co-Issuers (or the Collateral Manager on behalf of the Issuer or the Co-Issuers, as applicable), may engage a broker-dealer (the "**Re-Pricing Intermediary**") upon the recommendation and

subject to the approval of the Collateral Manager and such Re-Pricing Intermediary shall assist the Issuer in effecting the Re-Pricing.

At least 45 Business Days prior to the Business Day fixed by a Majority of the Subordinated Notes for any proposed Re-Pricing (the "**Re-Pricing Date**"), the Issuer or the Co-Issuers, or the Re-Pricing Intermediary on behalf of the Issuer or the Co-Issuers, will deliver a notice in writing to the Collateral Manager, the Trustee and each Rating Agency, which notice will:

(i) specify the proposed Re-Pricing Date, each Re-Priced Class and in the case of any Class of Notes which bears interest based upon a spread above LIBOR as specified under "Summary of Terms—Principal Terms of the Notes" the revised spread over LIBOR to be applied with respect to such Class or in the case of any other Class of Notes, the Interest Rate to be applied with respect to such Class (the "**Re-Pricing Rate**");

(ii) request each Holder of each Re-Priced Class to approve the proposed Re-Pricing; and

(iii) specify the price (which, for purposes of such Re-Pricing, shall be the Redemption Price of such Notes, subject to certain restrictions as set forth in the Indenture) at which Secured Notes of any Holder of a Re-Priced Class who does not approve the Re-Pricing may be sold and transferred pursuant hereto.

The Trustee will promptly, and in any event within two Business Days of receipt of such notice, deliver a copy of such notice to each Holder of each proposed Re-Priced Class.

In the event any Holder of a Re-Priced Class (each, a "**Non-Consenting Holder**") does not deliver written consent to the proposed Re-Pricing on or before the date that is 20 Business Days prior to the proposed Re-Pricing Date, the Issuer or the Co-Issuers, or the Re-Pricing Intermediary on behalf of the Issuer or the Co-Issuers, will deliver written notice thereof to the Trustee specifying the Aggregate Outstanding Amount of the Secured Notes of each Re-Priced Class held by such Non-Consenting Holders. The Trustee will promptly, and in any event within two Business Days of receipt of such notice, deliver a copy of such notice to each Holder of each proposed Re-Priced Class (each, a "**Consenting Holder**") which has delivered written consent to the proposed Re-Pricing and will request each such Consenting Holder provide written notice to the Issuer or the Co-Issuers, the Trustee, the Collateral Manager and the Re-Pricing Intermediary specifying whether such Consenting Holder would purchase all or any portion of the Notes of a Re-Priced Class for which it is a Consenting Holder held by the Non-Consenting Holders and the Aggregate Outstanding Amount of the Notes of such Re-Priced Class it is willing to purchase (each such notice, an "**Exercise Notice**"), within five Business Days after receipt of such notice. Each Exercise Notice shall constitute an irrevocable offer to purchase the specified Aggregate Outstanding Amount of the applicable Re-Priced Class for a purchase price equal to the Redemption Price for such Notes on the Re-Pricing Date.

In the event the Issuer or the Co-Issuers shall receive Exercise Notices with respect to more than the Aggregate Outstanding Amount of the Secured Notes of any Re-Priced Class held by Non-Consenting Holders, the Issuer or the Co-Issuers, or the Re-Pricing Intermediary on behalf of the Issuer or the Co-Issuers, will cause the sale and transfer of such Secured Notes, without further notice to the Non-Consenting Holders, on the Re-Pricing Date to the Holders delivering Exercise Notices with respect to such Re-Priced Class, *pro rata* (subject to DTC procedures and the applicable minimum denomination requirements) based on the Aggregate Outstanding Amount of the Secured Notes of such Class each such Holder offered to purchase pursuant to its Exercise Notice. In the event the Issuer or the Co-Issuers shall receive Exercise Notices with respect to less than the Aggregate Outstanding Amount of the Secured Notes of any Re-Priced Class held by Non-Consenting Holders, the Issuer or the Co-Issuers, or the Re-Pricing Intermediary on behalf of the Issuer or the Co-Issuers, will cause the sale and transfer of such Secured Notes, without further notice to the Non-Consenting Holders, on the Re-Pricing Date to the Holders delivering Exercise Notices with respect thereto, (subject to DTC procedures and the applicable minimum denomination requirements) based on the Aggregate Outstanding Amount of the Secured Notes of such Class each such Holder offered to purchase pursuant to its Exercise Notice, and any excess Secured Notes of the applicable Re-Priced Class held by Non-Consenting Holders shall be sold to one or more transferees designated by the Re-Pricing Intermediary on behalf of the Issuer or the Co-Issuers. All such sales of Secured Notes shall be made at the Redemption Price with respect to such Secured Notes, and will be effected only if the related Re-Pricing is effected in accordance with the provisions of the Indenture. The Holder of each Secured Note, by its acceptance of an interest in the Secured

Notes, agrees to sell and transfer its Notes in accordance with the Indenture and agrees to cooperate with the Co-Issuers, the Re-Pricing Intermediary and the Trustee to effect such sales and transfers. The Issuer or the Co-Issuers, or the Re-Pricing Intermediary on behalf of the Issuer or the Co-Issuers, will deliver written notice to the Trustee and the Collateral Manager not later than 12 Business Days prior to the proposed Re-Pricing Date (a "**Confirmation Notice**") confirming that the Issuer or the Co-Issuers have received written commitments to purchase all Secured Notes of each Re-Priced Class held by Non-Consenting Holders either from Consenting Holders providing Exercise Notices or from one or more transferees designated by the Re-Pricing Intermediary on behalf of the Issuer or the Co-Issuers. If the Issuer or the Co-Issuers or the Pricing Intermediary fails to deliver a Confirmation Notice, the notice of Re-Pricing shall be deemed to have been withdrawn. None of the Issuer, the Co-Issuer, any Re-Pricing Intermediary, the Trustee, the Collateral Administrator or the Collateral Manager shall have any obligation to arrange or seek to arrange for any transferee to purchase any Secured Notes held by a Non-Consenting Holder and not subject to an Exercise Notice and no Holder will have any cause of action against any of the Co-Issuers, any Re-Pricing Intermediary, the Collateral Manager, the Collateral Administrator or the Trustee as a result of any failure to complete a Re-Pricing or to purchase any Notes held by any Non-Consenting Holder. Notwithstanding anything contained herein to the contrary, failure to effect a Re-Pricing, whether or not notice of Re-Pricing has been withdrawn, will not constitute an Event of Default.

The Issuer and/or the Co-Issuers shall not effect any proposed Re-Pricing unless: (i) the Co-Issuers and the Trustee will have entered into a supplemental indenture dated as of the Re-Pricing Date to modify the spread over LIBOR applicable to each Re-Priced Class which bears interest based on a spread above LIBOR as specified under "Summary of Terms—Principal Terms of the Notes" and/or to modify the Interest Rate applicable to any other Class of Notes, as applicable, and to effect such other amendments or modifications as shall be necessary to effect such Re-Pricing, (ii) the Trustee has received a Confirmation Notice and the Issuer has certified that all Secured Notes of each Re-Priced Class have been purchased either by Consenting Holders or one or more transferees designated by the Re-Pricing Intermediary, (iii) each Rating Agency shall have been notified of such Re-Pricing and (iv) all expenses of the Co-Issuers, the Collateral Manager, U.S. Bank National Association, in its individual capacity, the Collateral Administrator and the Trustee (including the fees of the Re-Pricing Intermediary and fees of counsel) incurred in connection with the Re-Pricing will not exceed the amount of Interest Proceeds available after taking into account all amounts required to be paid pursuant to the Priority of Payments prior to distributions in respect of the Subordinated Notes on the subsequent Payment Date, unless such expenses shall have been paid or shall be adequately provided for by an entity other than the Issuer. If a proposed Re-Pricing is not effected by the proposed Re-Pricing Date, the Trustee will notify each Rating Agency that such proposed Re-Pricing was withdrawn and not effected.

If a Confirmation Notice has been received by the Trustee, notice of a Re-Pricing will be given by the Trustee by first class mail, postage prepaid, mailed not less than ten Business Days prior to the proposed Re-Pricing Date, to each Holder of Secured Notes of each Re-Priced Class at the address in the Secured Note Register (with a copy to the Collateral Manager), specifying the applicable Re-Pricing Date and Re-Pricing Rate. Notice of Re-Pricing will be given by the Trustee at the expense of the Issuer. Failure to give a notice of Re-Pricing to any Holder of any Re-Priced Class, or any defect therein, will not impair or affect the validity of the Re-Pricing or give rise to any claim based upon such failure or defect. Any notice of a Re-Pricing may be withdrawn by a Majority of the Subordinated Notes on or prior to the fourth Business Day prior to the scheduled Re-Pricing Date by written notice to the Issuer, the Co-Issuer, as applicable, the Trustee and the Collateral Manager for any reason. Upon receipt of such notice of withdrawal or upon any deemed withdrawal pursuant to the above, the Trustee will send such notice to the Holders of Secured Notes of each Class which would have been subject to such Re-Pricing and each Rating Agency.

Issuer purchases of Secured Notes

Notwithstanding anything to the contrary in the Indenture, the Collateral Manager, on behalf of the Issuer, may conduct purchases of the Secured Notes, in whole or in part, in accordance with, and subject to, the terms and conditions set forth below. Notwithstanding the provisions of the Indenture described under "Security for the Secured Notes—The Collection Account and Payment Account", amounts in the Principal Collection Subaccount may be disbursed for purchases of Secured Notes in accordance with the provisions described in this section. The Trustee shall cancel as described under "—Cancellation" any such purchased Secured Notes surrendered to it for

cancellation or, in the case of any Global Notes, the Trustee shall decrease the Aggregate Outstanding Amount of such Global Notes in its records by the full par amount of the purchased Secured Notes, and instruct DTC or its nominee, as the case may be, to conform its records.

No purchases of the Secured Notes may occur unless each of the following conditions is satisfied:

(a) (i) such purchases of Secured Notes shall occur in the following sequential order of priority: *first*, the Class A Notes, *pro rata* among the Class A1 Notes, the Class A-F Notes and the Class AX Notes, until the Class A Notes are retired in full; *second*, the Class B Notes, until the Class B Notes are retired in full; *third*, the Class C Notes, until the Class C Notes are retired in full; *fourth*, the Class D Notes, until the Class D Notes are retired in full; and, *fifth*, the Class E Notes, until the Class E Notes are retired in full;

(ii) (1) each such purchase of Secured Notes of any Class shall be made pursuant to an offer made to all holders of the Secured 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 that will be used to effect such purchase and the length of the period during which such offer will be open for acceptance, (2) each such holder shall have the right, but not the obligation, to accept such offer in accordance with its terms and (3) if the Aggregate Outstanding Amount 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 held by each such holder;

(iii) subject to the right of the Issuer to cancel any offer to purchase Secured Notes specified below, each offer to purchase Secured Notes shall be outstanding for not less than ten Business Days, and if any holder does not accept such offer within such ten Business Day period, such holder shall be deemed to have rejected such offer;

(iv) each such purchase shall be effected only at prices discounted from par;

(v) each such purchase of Secured Notes shall occur during the Reinvestment Period and shall be effected with Principal Proceeds;

(vi) each Coverage Test is satisfied immediately prior to each such purchase and will be satisfied after giving effect to such purchase;

(vii) no Event of Default shall have occurred and be continuing;

(viii) with respect to each such purchase, the Global Rating Agency Condition shall have been satisfied with respect to all Secured Notes that will remain outstanding following such purchase;

(ix) any Secured Notes to be purchased shall be surrendered to the Trustee for cancellation as described under "—Cancellation"; and

(x) each such purchase will otherwise be conducted in accordance with applicable law; and

(b) the Trustee has received an officer's certificate of the Collateral Manager to the effect that the conditions in the foregoing paragraph (a) have been satisfied.

The Issuer reserves the right to cancel any offer to purchase any Secured Notes prior to consummation of the applicable purchase and regardless of whether any Holder has accepted such offer.

Cancellation

All Notes surrendered for payment, registration of transfer, exchange or redemption, or mutilated, defaced or deemed lost or stolen, shall be promptly canceled by the Trustee or the Subordinated Note Registrar, as applicable, 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 in the Indenture or the Subordinated Note Issuing and Paying Agency Agreement (including pursuant to the provisions of the Indenture described under "—Issuer purchases of Secured Notes"), or for registration of transfer, exchange or redemption, or for replacement in connection with any Note mutilated, defaced or deemed lost or stolen.

The Issuer may not acquire any of the Notes (including any Notes surrendered or abandoned) except as described above under "—Issuer purchases of Secured Notes". The preceding sentence shall not limit an optional or mandatory redemption pursuant to the terms of the Indenture.

Entitlement to payments

Payments on the Notes will be made to the person in whose name the Note is registered on the Record Date. Payments on interests in notes not in global form will be made in U.S. Dollars by wire transfer, as directed by the investor, in immediately available funds to the investor; *provided* that wiring instructions have been provided to the Trustee on or before the related Record Date and *provided further* that if appropriate instructions for any such wire transfer are not received by the Record Date, then such payment shall be made by check drawn on a U.S. bank mailed to such holder of a Note at such holder's address specified in the applicable register maintained by the Trustee. Final payments in respect of principal on the Notes will be made only against surrender of the Notes at the office of any Paying Agent appointed under the Indenture.

Payments on any Global Notes will be made to DTC or its nominee, as the registered owner thereof. None of the Co-Issuers, the Collateral Manager, the Trustee or any Paying Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in Global Notes or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests. The Co-Issuers expect that DTC or its nominee, upon receipt of any payment of principal or interest in respect of a Global Note representing a Class of Notes held by it or its nominee, will immediately credit participants' accounts (through which, in the case of Regulation S Global Notes, Euroclear and Clearstream hold their respective interests) with payments in amounts proportionate to their respective beneficial interests in the stated original principal amount of a Global Note for a Class of Notes, as applicable, as shown on the records of DTC or its nominee. The Co-Issuers also expect that payments by participants to owners of beneficial interests in a Global Note held through the participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for the customers. The payments will be the responsibility of the participants.

Prescription. Except as otherwise required by applicable law, claims by holders of Notes in respect of principal and interest or any other amounts due and payable must be made to the Trustee or any Paying Agent, with respect to Secured Notes, or to the Subordinated Note Issuing and Paying Agent, with respect to Subordinated Notes, within two years of such principal, interest or other amount becoming due and payable. Any funds deposited with the Trustee or any Paying Agent (with respect to Secured Notes) or the Subordinated Note Issuing and Paying Agent (with respect to Subordinated Notes) in trust for the payment of principal, interest or any other amount remaining unclaimed for two years after such principal, interest or other amount has become due and payable shall be paid to the Issuer and, if applicable, the Co-Issuer, pursuant to the Indenture or Subordinated Note Issuing and Paying Agency Agreement, as applicable; and the holder of a Note shall thereafter, as an unsecured general creditor, look only to the Issuer and, if applicable, the Co-Issuer, for payment of such amounts and all liability of the Trustee and any Paying Agent (with respect to Secured Notes) and the Subordinated Note Issuing and Paying Agent (with respect to Subordinated Notes) with respect to such trust funds shall thereupon cease.

Priority of Payments

On each Payment Date, unless an Enforcement Event has occurred and is continuing, Interest Proceeds will be applied in the order of priority described under "Summary of Terms—Priority of Payments—Application of Interest Proceeds".

On each Payment Date, unless an Enforcement Event has occurred and is continuing, Principal Proceeds will be applied in the order of priority described under "Summary of Terms—Priority of Payments—Application of Principal Proceeds".

Notwithstanding the provisions of "Summary of Terms—Priority of Payments—Application of Interest Proceeds" and "Summary of Terms—Priority of Payments—Application of Principal Proceeds", if a declaration of acceleration of the maturity of the Notes has occurred following an Event of Default and such declaration of acceleration has not been rescinded (an "**Enforcement Event**"), on each date or dates fixed by the Trustee (each such date to occur on a Payment Date), proceeds in respect of the Assets will be applied in the following order of priority (the "**Special Priority of Payments**"):

(A) (1) *first*, to the payment of taxes and governmental fees (including annual return and registered office fees) owing by the Issuer or the Co-Issuer, and (2) *second*, to the payment of the accrued and unpaid Administrative Expenses, in the priority stated in the definition thereof, up to the Administrative Expense Cap (*provided* that following the commencement of any sales of Assets pursuant to the provision of the Indenture described in clause (i) of the fourth paragraph under "The Indenture", the Administrative Expense Cap shall be disregarded;

(B) to the payment of the Senior Collateral Management Fee (and any previously deferred Senior Collateral Management Fee) due and payable to the Collateral Manager;

(C) to the payment, *pro rata* based on amounts due, of accrued and unpaid interest on the Class A1 Notes, the Class A-F Notes and the Class AX Notes;

(D) to the payment, *pro rata* based on their respective aggregate outstanding principal amounts, of principal of the Class A1 Notes, the Class A-F Notes and the Class AX Notes;

(E) to the payment of accrued and unpaid interest on the Class B Notes;

(F) to the payment of principal of the Class B Notes;

(G) to the payment of accrued and unpaid interest (excluding Secured Note Deferred Interest, but including interest on Secured Note Deferred Interest) on the Class C Notes;

(H) to the payment of any Secured Note Deferred Interest on the Class C Notes;

(I) to the payment of principal of the Class C Notes;

(J) to the payment of accrued and unpaid interest (excluding Secured Note Deferred Interest, but including interest on Secured Note Deferred Interest) on the Class D Notes;

(K) to the payment of any Secured Note Deferred Interest on the Class D Notes;

(L) to the payment of principal of the Class D Notes;

(M) to the payment of accrued and unpaid interest (excluding Secured Note Deferred Interest, but including interest on Secured Note Deferred Interest) on the Class E Notes;

(N) to the payment of any Secured Note Deferred Interest on the Class E Notes;

(O) to the payment of principal of the Class E Notes;

(P) to the payment of the Subordinated Collateral Management Fee (and any previously deferred Subordinated Collateral Management Fee) due and payable to the Collateral Manager;

(Q) to the payment (in the same manner and order of priority stated therein) of any Administrative Expenses not paid pursuant to clause (A)(2) above due to the limitation contained therein;

(R) to pay to the Subordinated Note Issuing and Paying Agent for distribution to the Holders of the Subordinated Notes on a *pro rata* basis until the Subordinated Notes have realized a Subordinated Notes Internal Rate of Return of 12%; and

(S) to pay the balance to the Collateral Manager and the Holders of the Subordinated Notes, such balance to be allocated as follows: (x) 20% to the Collateral Manager as the Incentive Collateral Management Fee payable on such Payment Date; and (y) 80% to the Subordinated Note Issuing and Paying Agent for distribution to the Holders of the Subordinated Notes on a *pro rata* basis.

The Indenture

Events of Default. "**Event of Default**" will be defined in the Indenture as:

(a) a default in the payment, when due and payable, of (i) any interest on any Class A Note or Class B Note or, if there are no Class A Notes or Class B Notes outstanding, any Class C Note or, if there are no Class A Notes, Class B Notes or Class C Notes outstanding, any Class D Note or, if there are no Class A Notes, Class B Notes, Class C Notes or Class D Notes outstanding, any Class E Note, and, in each case, the continuation of any such default for five Business Days, or (ii) any principal of, or interest or Secured Note Deferred Interest on, or any Redemption Price in respect of any Secured Note at its Stated Maturity or on any Redemption Date; *provided* that, in the case of a default resulting from a failure to disburse due to an administrative error or omission by the Collateral Manager, Trustee, Collateral Administrator or any Paying Agent, such default will not be an Event of Default unless such failure continues for ten Business Days after a trust officer of the Trustee receives written notice or has actual knowledge of such administrative error or omission;

(b) the failure on any Payment Date to disburse amounts available in the Payment Account in excess of U.S.$25,000 in accordance with the priority of payments set forth in the Indenture and continuation of such failure for a period of five Business Days; *provided* that, in the case of a default resulting from a failure to disburse due to an administrative error or omission by the Collateral Manager, Trustee, Collateral Administrator or any Paying Agent, such default will not be an Event of Default unless such failure continues for ten Business Days after a trust officer of the Trustee receives written notice or has actual knowledge of such administrative error or omission;

(c) either of the Co-Issuers or the pool of Assets becomes an investment company required to be registered under the Investment Company Act and that status continues for 45 days;

(d) except as otherwise provided in this definition of "Event of Default", a default in a material respect in the performance, or breach in a material respect, of any other covenant or other agreement of the Issuer or the Co-Issuer in the Indenture (it being understood, without limiting the generality of the foregoing, that any failure to meet any Concentration Limitation, Collateral Quality Test, Interest Diversion Test or Coverage Test is not an Event of Default and any failure to satisfy the requirements described under "Use of Proceeds—Effective Date" is not an Event of Default, except in either case to the extent provided in clause (f) below), or the failure of any representation or warranty of the Issuer or the Co-Issuer made in the Indenture 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 45 days after notice to the Issuer or the Co-Issuer, as applicable, and the Collateral Manager by registered or certified mail or overnight courier, by the Trustee,

the Issuer, the Co-Issuer or the Collateral Manager or to the Issuer or the Co-Issuer, as applicable, the Collateral Manager and the Trustee at the direction of the holders of at least a Majority of the Controlling Class, specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Indenture;

(e) certain events of bankruptcy, insolvency, receivership or reorganization of either of the Co-Issuers; or

(f) on any Measurement Date on which any Class A1 Notes or Class A-F Notes are outstanding, failure of the percentage equivalent of a fraction (i) the numerator of which is equal to (1) the sum of (a) the Aggregate Principal Balance of the Collateral Obligations, excluding Defaulted Obligations, and (b) without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds *plus* (2) the aggregate Market Value of all Defaulted Obligations on such date and (ii) the denominator of which is equal to the Aggregate Outstanding Amount of the Class A1 Notes and the Class A-F Notes, to equal or exceed 102.5%.

If an Event of Default occurs and is continuing (other than an Event of Default referred to in clause (e) above), the Trustee may (with the written consent of a Majority of the Controlling Class), and shall (upon the written direction of a Majority of the Controlling Class), by notice to the applicable Co-Issuers and each Rating Agency, declare the principal of all the Secured Notes to be immediately due and payable ("**acceleration**"), and upon any such declaration the principal of the Notes, together with all accrued and unpaid interest thereon (including, in the case of the Class C Notes, the Class D Notes, and the Class E Notes, any Secured Note Deferred Interest), and other amounts payable under the Indenture through the date of acceleration, shall become immediately due and payable. If an Event of Default described in clause (e) above occurs, such an acceleration will occur automatically.

At any time after such a declaration of acceleration of maturity has been made and before a judgment or decree for payment of the cash due has been obtained by the Trustee, a Majority of the Controlling Class by written notice to the Issuer and the Trustee, may rescind and annul such declaration and its consequences if: (i) the Issuer or the Co-Issuer has paid or deposited with the Trustee a sum sufficient to pay: (A) all unpaid installments of interest and principal then due and payable on the Secured Notes (without regard to such acceleration); (B) to the extent that the payment of such interest is lawful, interest upon any Secured Note Deferred Interest at the applicable Interest Rate; and (C) all unpaid taxes and Administrative Expenses of the Co-Issuers and other sums paid or advanced by the Trustee under the Indenture or by the Collateral Administrator under the Collateral Administration Agreement or hereunder, accrued and unpaid Senior Collateral Management Fee and any other amounts then payable by the Co-Issuers under the Indenture prior to such Administrative Expenses and such Senior Collateral Management Fee; and (ii) it has been determined that all Events of Default, other than the nonpayment of the interest on or principal of the Secured Notes that has become due solely by such acceleration, have (1) been cured, and a Majority of the Controlling Class by written notice to the Trustee has agreed with such determination (which agreement shall not be unreasonably withheld), or (2) been waived as provided in the Indenture. No such rescission shall affect any subsequent default or impair any right consequent thereon. Notwithstanding anything in this paragraph or the immediately preceding paragraph to the contrary, the Secured Notes will not be subject to acceleration by the Trustee or a Majority of the Controlling Class solely as a result of the failure to pay (i) at any time when the Class A Notes (excluding the Class AX Notes) are the Controlling Class, any amount due on any Notes other than the Class A1 Notes, the Class A-F Notes, the Class AX Notes or Class B Notes or (ii) at any other time, any amount due on any Notes that are not of the Controlling Class.

If an Event of Default has occurred and is continuing, the Trustee will retain the Assets intact and collect and cause the collection of all payments in respect of the Assets and make and apply all payments and deposits and maintain all accounts in respect of the Assets and the Notes in accordance with the Priority of Payments and the subordination provisions of the Indenture unless either:

(i) the Trustee determines (in the manner described in the Indenture) that the anticipated proceeds of a sale or liquidation of the Assets (after deducting the reasonable expenses of such sale or liquidation) would be sufficient to discharge in full the amounts then due (or, in the case of interest, accrued) and unpaid on the Secured Notes for principal and interest (including accrued and unpaid Secured Note Deferred Interest) and all other amounts that, pursuant to the Priority of Payments, are required to be paid prior to such payments on the Secured Notes

(including any amounts due and owing as Administrative Expenses (without regard to the Administrative Expense Cap) and any due and unpaid Senior Collateral Management Fee) and a Majority of the Controlling Class agrees with such determination; or

(ii) (A) if an Event of Default referred to in clause (a) of the definition thereof has occurred and is continuing, a Majority of the Controlling Class directs the sale and liquidation of the Assets, (B) if any Class A1 Notes or Class A-F Notes remain outstanding and an Event of Default referred to in clause (f) of the definition thereof has occurred and is continuing, a Majority of the Class A1 Notes and the Class A-F Notes (voting as a single class) directs the sale and liquidation of the Assets or (C) if any other Event of Default (other than those described in (A) or (B) above) has occurred and is continuing, a Majority of each Class of the Secured Notes (voting separately by Class) direct the sale and liquidation of the Assets.

A Majority of the Controlling Class will have the right following the occurrence, and during the continuance of, an Event of Default to cause the institution of and direct the time, method and place of conducting any proceeding for any remedy available to the Trustee; *provided* that (a) such direction shall not conflict with any rule of law or with any express provision of the Indenture, (b) the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction, (c) the Trustee shall have been provided with indemnity reasonably satisfactory to it, and (d) notwithstanding the foregoing, any direction to the Trustee to undertake a sale of Assets may be given only in accordance with the preceding paragraph and the other applicable provisions of the Indenture.

Subject to the provisions of the Indenture relating to the duties of the Trustee, the Trustee will be under no obligation to exercise the rights or powers vested in it under the Indenture in respect of an Event of Default at the request or direction of the holders of any Notes unless such holders have provided to the Trustee security or indemnity reasonably satisfactory to the Trustee. Prior to the time a judgment or decree for payment of the cash due has been obtained by the Trustee, as provided in the Indenture, a Majority of the Controlling Class may on behalf of the Holders of all the Notes waive any past Event of Default or any occurrence that is, or with notice or the lapse of time or both would become, an Event of Default, and its consequences, except any such Event of Default or occurrence (a) in the payment of the principal of or interest on any Secured Note (which, except as specified in clause (b) below, may be waived only with the consent of the holder of such Secured Note), (b) in the payment of interest on the Secured Notes of the Controlling Class (which may be waived only with the consent of a Supermajority of the Controlling Class), (c) in respect of a covenant or provision of the Indenture that, under the provision of the Indenture providing for supplemental indentures with the consent of Holders of Notes, cannot be modified or amended without the waiver or consent of the holder of each such outstanding Note materially and adversely affected thereby (which may be waived only with the consent of each such holder) or (d) in respect of certain representations contained in the Indenture relating to the security interests in the Assets (which may be waived only by a Majority of the Controlling Class if the Moody's Rating Condition is satisfied).

No holder of a Note will have the right to institute any proceeding with respect to the Indenture, or for the appointment of a receiver or trustee, or for any other remedy under the Indenture, unless (i) such holder previously has given to the Trustee written notice of an Event of Default, (ii) the holders of not less than 25% of the then Aggregate Outstanding Amount of the Controlling Class have made a written request to the Trustee to institute such proceedings in its own name as Trustee and such holders have provided the Trustee indemnity reasonably satisfactory to the Trustee, (iii) the Trustee, for 30 days after its receipt of such notice, request and provision of such indemnity to the Trustee, has failed to institute any such proceeding and (iv) no direction inconsistent with such written request has been given to the Trustee during such 30-day period by a Majority of the Controlling Class.

In determining whether the holders of the requisite Aggregate Outstanding Amount have given any request, demand, authorization, direction, notice, consent or waiver under the Indenture, the following Notes shall be disregarded and deemed not to be outstanding:

(a) Notes owned by the Issuer, the Co-Issuer or any other obligor upon the Notes; and

(b) any Collateral Manager Notes under the limited circumstances described under "The Collateral Management Agreement—Removal, Resignation and Replacement of the Collateral Manager",

except that (1) in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Notes that a trust officer of the Trustee actually knows to be so owned or to be Collateral Manager Notes shall be so disregarded; and (2) Notes so owned that have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Notes and that the pledgee is not one of the Persons specified above.

If an Event of Default has occurred and has not been cured or waived and acceleration occurs in accordance with the Indenture, the most senior Class of Notes then outstanding shall be paid in full in cash or, to the extent the Majority of such Class consents, other than in cash, before any further payment or distribution is made on account of any more subordinate Classes, in each case in accordance with the Special Priority of Payments. Upon such an acceleration, investors in any such subordinate Class of Notes will not receive any payments until such senior Classes of Notes are paid in full. If an Event of Default has occurred, but the Assets have not been liquidated and the Notes have not been accelerated, payments on the Notes will continue to be made in the order of priority described under "Summary of Terms—Priority of Payments—Application of Interest Proceeds" and "Summary of Terms—Priority of Payments—Application of Principal Proceeds". There can be no assurance that, after payment of principal and interest on the Notes senior to any Class of Notes, the Issuer will have sufficient funds to make payments in respect of such Class of Notes. See "Risk Factors—Relating to the Notes—The subordination 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, as described below, will affect their right to payment".

Notices. Notices to the holders of the Secured Notes shall be given by first class mail, postage prepaid, to registered holders of Notes at each such holder's address appearing in the register maintained by the Trustee. Notices to the Holders of Subordinated Notes will be given by first class mail, postage prepaid, to the registered holders of Subordinated Notes at their address appearing in the register maintained by the Subordinated Note Issuing and Paying Agent. The Trustee will agree in the Indenture to notify the holders of the Notes of its receipt of any written notice from the Collateral Manager to the effect that any of the events specified in the definition of "cause" has occurred.

Class A Notes, Class B Notes and Voting. The Class A1 Notes, the Class A-F Notes and the Class AX Notes are sub-classes of the Class A Notes and the Class B1 Notes and the Class B-F Notes are sub-classes of the Class B Notes. As sub-classes, for purposes of any vote under the Indenture and any other Transaction Document, including any vote measured "separately by Class", such Class A1 Notes, Class A-F Notes and Class AX Notes shall be treated as a single Class and such Class B1 Notes and Class B-F Notes shall be treated as a single Class, except, in each case, in connection with any supplemental indenture which affects either such sub-class exclusively and differently from the Holders of any other Class or sub-class.

Modification of Indenture. With the consent of a Majority of the Secured Notes of each Class materially and adversely affected thereby, if any, and a Majority of the Subordinated Notes, the Trustee and the Co-Issuers may execute one or more supplemental indentures to add provisions to, or change in any manner or eliminate any provisions of, the Indenture or modify in any manner the rights of the holders of the Notes of any Class under the Indenture; *provided* that with respect to supplemental indentures addressing changes in law, rule or regulation, the Aggregate Outstanding Amount of any Class shall, for purposes of determining whether a Majority of any Class has given a consent or direction pursuant to this paragraph, be deemed to be the Aggregate Outstanding Amount the Notes outstanding of such Class responding to such solicitation within 30 days of the date of such of solicitation by consent or direction, as the case may be; *provided, however*, that if no holders of a particular Class of Notes responds to such solicitation during such 30-day period following the solicitation of consents and directions, then the holders of such Class of Notes will be deemed not to have consented to the applicable supplemental indenture; *provided, further*, that, notwithstanding anything to the contrary in this paragraph, without the consent of each holder of each outstanding Note of each Class materially and adversely affected thereby, no such supplemental indenture described above may:

(i) change the Stated Maturity of the principal of or the due date of any installment of interest on any Secured Note, reduce the principal amount thereof or the rate of interest thereon (other than pursuant to a Re-Pricing) or the Redemption Price with respect to any Note, or change the earliest date on which Notes of any Class may be redeemed, change the provisions of the Indenture relating to the application of proceeds

of any Assets to the payment of principal of or interest on the Secured Notes, or distributions on the Subordinated Notes or change any place where, or the coin or currency in which, Notes or the principal thereof or interest or any distribution thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the applicable Redemption Date);

(ii) reduce the percentage of the Aggregate Outstanding Amount of holders of Notes of each Class whose consent is required for the authorization of any such supplemental indenture or for any waiver of compliance with certain provisions of the Indenture or certain defaults thereunder or their consequences provided for in the Indenture;

(iii) impair or adversely affect the Assets except as otherwise permitted in the Indenture;

(iv) except as otherwise permitted by the Indenture, permit the creation of any lien ranking prior to or on a parity with the lien of the Indenture with respect to any part of the Assets or terminate such lien on any property at any time subject thereto or deprive the holder of any Secured Note of the security afforded by the lien of the Indenture;

(v) reduce or increase the percentage of the Aggregate Outstanding Amount of holders of any Class of Secured Notes whose consent is required to request the Trustee to preserve the Assets or rescind the Trustee's election to preserve the Assets or to sell or liquidate the Assets pursuant to the Indenture;

(vi) eliminate any condition required to be satisfied with respect to entering into supplemental indentures;

(vii) modify the definition of the term "Controlling Class", the definition of the term "Outstanding" or the priority of payments set forth in the Indenture; or

(viii) modify any of the provisions of the Indenture in such a manner as to affect the calculation of the amount of any payment of interest or principal on any Secured Note, or any amount available for distribution to the Subordinated Notes, or to affect the rights of the holders of any Secured Notes to the benefit of any provisions for the redemption of such Secured Notes contained therein.

In addition, any supplemental indenture that would change the Indenture (1) to modify any Investment Criteria with respect to the acquisition of Collateral Obligations during or after the Reinvestment Period or (2) to make changes to the Weighted Average Life Test shall be deemed to materially and adversely affect each Class of Secured Notes and the Subordinated Notes and therefore, in accordance with the above provisions (and any further requirements in the Indenture) shall require the consent of a Majority of each Class of Notes (voting separately by Class) prior to execution of such supplemental indenture by the Trustee and the Co-Issuers.

Furthermore, any supplemental indenture that would change the Indenture to amend (1) the definitions of, or the definitions of terms used to calculate, or the levels of, the Minimum Floating Spread Test, the Maximum Moody's Rating Factor Test, the Moody's Diversity Test, the Minimum Weighted Average Moody's Recovery Rate Test, the Weighted Average Life Test or the Minimum Weighted Average Coupon Test, (2) the definition of "Concentration Limitations", (3) the definition of "Credit Risk Obligation", (4) the definition of "Credit Improved Obligation", (5) the definition of "Defaulted Obligation", (6) the definition of "Equity Security" or (7) any restrictions on the sale of Collateral Obligations as described in "Security for the Secured Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" shall require the consent of a Majority of the Controlling Class and a Majority of the Subordinated Notes prior to execution of such supplemental indenture by the Trustee and the Co-Issuers.

The Co-Issuers and the Trustee may also enter into supplemental indentures, with an Opinion of Counsel being provided to the Co-Issuers or the Trustee that no Class of Notes would be materially and adversely affected thereby (except in the case of clause (iii), (vi), (x), (xi), (xii), (xiv) or (xv) below for which no such opinion shall be required) but without obtaining the consent of holders of the Notes (except any consent required by clause (iii), (vi),

(x), (xi), (xii), (xiv) or (xv) below) at any time and from time to time, subject to certain requirements described in the Indenture:

(i) to evidence the succession of another person to the Issuer or the Co-Issuer and the assumption by any such successor person of the covenants of the Issuer or the Co-Issuer in the Indenture and in the Notes;

(ii) to add to the covenants of the Co-Issuers or the Trustee for the benefit of the Secured Parties;

(iii) to convey, transfer, assign, mortgage or pledge any property to or with the Trustee or add to the conditions, limitations or restrictions on the authorized amount, terms and purposes of the issue, authentication and delivery of the Secured Notes; *provided* that, if the holders of any Class of Notes would be materially and adversely affected by such supplemental indenture entered into pursuant to this clause (iii), the consent to such supplemental indenture has been obtained from a Majority of each such Class;

(iv) to evidence and provide for the acceptance of appointment under the Indenture by a successor Trustee and to add to or change any of the provisions of the Indenture as shall be necessary to facilitate the administration of the trusts under the Indenture by more than one Trustee, pursuant to the requirements of the Indenture;

(v) to correct or amplify the description of any property at any time subject to the lien of the Indenture, or to better assure, convey and confirm unto the Trustee any property subject or required to be subjected to the lien of the Indenture (including, any and all actions necessary or desirable as a result of changes in law or regulations) or to subject to the lien of the Indenture any additional property;

(vi) to modify the restrictions on and procedures for resales and other transfers of Notes to reflect any changes in ERISA or other applicable law or regulation (or the interpretation thereof) or to enable the Co-Issuers to rely upon any exemption from registration under the Securities Act or the Investment Company Act or to remove restrictions on resale and transfer to the extent not required by the Indenture; *provided* that, if the holders of any Class of Notes would be materially and adversely affected by such supplemental indenture entered into pursuant to this clause (vi), the consent to such supplemental indenture has been obtained from a Majority of each such Class;

(vii) to make such changes as shall be necessary or advisable in order for (A) the Notes to be or remain listed on an exchange, including the Irish Stock Exchange or (B) the creation or operation of any Blocker Subsidiary, the conveyance of any Assets to such Blocker Subsidiary, the disposition of such Assets and any distributions by such Blocker Subsidiary and such other matters incidental thereto; *provided* that such changes shall not affect the conditions relating to the establishment and operation of such Blocker Subsidiary in effect immediately prior to such changes;

(viii) otherwise to correct any inconsistency or cure any ambiguity, omission or manifest errors in the Indenture or to conform the provisions of the Indenture to this Offering Circular;

(ix) to take any action advisable to prevent the Issuer or any Blocker Subsidiary from becoming subject to withholding or other taxes, fees or assessments (including requiring holders of Notes to supply information needed to comply with any agreement with the U.S. Internal Revenue Service that the Issuer determines is necessary to avoid withholding under FATCA) or to prevent the Issuer from being treated as engaged in a trade or business within the United States for U.S. federal income tax purposes or otherwise being subject to U.S. federal, state or local income tax on a net income basis or subject to tax on a net income basis in any jurisdiction outside the Issuer's jurisdiction of incorporation;

(x) (A) at any time during the Reinvestment Period, subject to the consent of a Majority of the Subordinated Notes and, unless only additional Subordinated Notes are being issued, a Majority of the Controlling Class, to make such changes as shall be necessary to permit the Co-Issuers or the Issuer (I) to issue additional notes of any one or more new classes that are fully subordinated to the existing Secured Notes (or to the most junior class of securities of the Issuer issued pursuant to the Indenture, if any class of securities issued

pursuant to the Indenture other than the Secured Notes is then outstanding), *provided* that any such additional issuance of notes shall be issued in accordance with (x) in the case of secured notes, the Indenture or (y) in the case of subordinated notes, the Subordinated Note Issuing and Paying Agency Agreement; or (II) to issue additional notes of any one or more existing Classes, *provided* that any such additional issuance of notes shall be issued in accordance with (x) in the case of secured notes, the Indenture or (y) in the case of subordinated notes, the Subordinated Note Issuing and Paying Agency Agreement; or (B) at any time, to give effect to any permitted Refinancing;

(xi) to evidence any waiver by any Rating Agency as to any requirement in the Indenture that such Rating Agency confirm (or to evidence any other elimination of any requirement in the Indenture that any Rating Agency confirm) that an action or inaction by the Issuer or any other Person will not result in a reduction or withdrawal of its then-current rating of any Class of Secured Notes as a condition to such action or inaction; *provided* that the consent of a Majority of the Controlling Class and a Majority of the Subordinated Notes must be obtained with respect to any proposed supplemental indenture entered into pursuant to this clause (xi);

(xii) to make changes as shall be necessary or advisable to conform to ratings criteria and other guidelines (including any alternative methodology published by any of the Rating Agencies) relating to collateral debt obligations in general published by any Rating Agency; *provided* that the consent of a Majority of the Controlling Class and a Majority of the Subordinated Notes must be obtained with respect to any proposed supplemental indenture entered into pursuant to this clause (xii);

(xiii) to make changes as shall be necessary or advisable to comply with Rule 17g-5 or Rule 17g-10 of the Exchange Act;

(xiv) to make such changes as shall be necessary to facilitate the Co-Issuers or Issuer, as applicable, effecting a Re-Pricing in accordance with the Indenture; **provided** that the consent of a Majority of the Subordinated Notes must be obtained with respect to any proposed supplemental indenture entered into pursuant to this clause (xiv); or

(xv) with the consent of a supermajority (66-2/3% based on the aggregate principal amount of Notes held by the Section 13 Banking Entities) of the Section 13 Banking Entities (voting as a single class), to amend, modify or otherwise change the provisions of the Indenture so that (A) the Issuer is not a "covered fund" under the Volcker Rule, (B) any Class of Secured Notes are not considered to constitute "ownership interests" under the Volcker Rule or (C) ownership of the Notes will otherwise be exempt from the Volcker Rule.

It shall not be necessary for any act of any holders of Secured Notes or Subordinated Notes to approve the particular form of any proposed supplemental indenture, but it shall be sufficient, if the consent of any such holders to such proposed supplemental indenture is required, that such act shall approve the substance thereof.

The Collateral Manager will not be bound to follow any amendment or supplement to the Indenture unless it has received written notice of such amendment or supplement and a copy thereof from the Issuer or the Trustee. The Issuer agrees that it will not permit to become effective any supplement or modification to the Indenture which would (i) increase the duties or liabilities of, reduce or eliminate any right or privilege of (including as a result of an effect on the amount or priority of any fees or other amounts payable to the Collateral Manager), or adversely change the economic consequences to, the Collateral Manager, (ii) modify the restrictions on the sales of Collateral Obligations or (iii) expand or restrict the Collateral Manager's discretion, and the Collateral Manager shall not be bound thereby unless the Collateral Manager shall have consented in advance thereto in writing. No amendment to the Indenture will be effective against the Collateral Administrator if such amendment would adversely affect the Collateral Administrator, including, without limitation, any amendment or supplement that would increase the duties or liabilities of, or adversely change the economic consequences to, the Collateral Administrator, unless the Collateral Administrator otherwise consents in writing. The Trustee shall not be obligated to enter into any supplemental indenture which affects the Trustee's own rights, duties, liabilities or immunities under the Indenture or otherwise or adversely changes the economic consequences to the Trustee, except to the extent required by law.

With respect to any supplemental indenture, the Trustee and the Issuer shall be entitled to conclusively rely upon an 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) or an officer's certificate of the Collateral Manager, as to (i) whether or not any Class of Secured Notes would be materially and adversely affected by any supplemental indenture described above, and (ii) whether or not the Subordinated Notes would be materially and adversely affected by any supplemental indenture described above; *provided* that, for any supplemental indenture (other than any supplemental indenture entered into pursuant to clause (iii), (vi), (x), (xi), (xii), (xiv) or (xv) immediately above for which the consent of the Holders of the Notes would not otherwise be required except as expressly set forth in such clauses) if a Supermajority of the Notes of any such Class have provided notice to the Trustee at least one Business Day prior to the proposed date of the execution of such supplemental indenture that such Class would be materially and adversely affected thereby, (i) the Trustee shall not be entitled so to rely upon an Opinion of Counsel or an officer's certificate of the Collateral Manager as to whether or not the Holders of such Class would be materially and adversely affected by such supplemental indenture and (ii) the Trustee shall only enter into such supplemental indenture with the consent of a Majority (or such greater percentage required above) of Holders of the Notes of such Class. Neither the Trustee nor the Issuer shall be liable for any reliance made in good faith upon an Opinion of Counsel or an officer's certificate of the Collateral Manager delivered to the Trustee as described in the Indenture. Such determination shall be conclusive and binding on all present and future holders. The Trustee shall have no obligation to request such a determination unless the Trustee is requested in writing to do so by or on behalf of the Issuer, the Initial Purchaser or a Holder or beneficial owner of Notes; *provided* that without such a determination the Trustee shall not enter into any supplemental indenture unless such supplemental indenture effects only changes described in clause (vii) of the fourth preceding paragraph or such supplemental indenture is a supplemental indenture described in clause (x)(A)(II) of the fourth preceding paragraph facilitating an additional issuance of Subordinated Notes under the Subordinated Note Issuing and Paying Agency Agreement only.

For so long as any Notes are listed on the Irish Stock Exchange and the guidelines of such exchange shall so require, the Issuer will notify the Irish Stock Exchange of any material modification of the Indenture. At the cost of the Co-Issuers, for so long as any Notes shall remain outstanding, not later than 10 Business Days prior to the execution of any proposed supplemental indenture, the Trustee shall deliver to the Collateral Manager, the Collateral Administrator, the Noteholders, the Rating Agencies and the Subordinated Note Issuing and Paying Agent for distribution to the Subordinated Noteholders a notice attaching a copy of such supplemental indenture and indicating the proposed date of execution of such supplemental indenture. Following such delivery by the Trustee, if any changes are made to such supplemental indenture other than to correct typographical errors or to adjust formatting, then at the cost of the Co-Issuers, for so long as any Notes shall remain outstanding, not later than 5 Business Days prior to the execution of such proposed supplemental indenture (*provided* that the execution of such proposed supplemental indenture shall not in any case occur earlier than the date 10 Business Days after the initial distribution of such proposed supplemental indenture pursuant to the second sentence of this paragraph), the Trustee shall deliver to the Collateral Manager, the Collateral Administrator, the Noteholders, the Rating Agencies and the Subordinated Note Issuing and Paying Agent for distribution to the Subordinated Noteholders a copy of such supplemental indenture as revised, indicating the changes that were made.

If any supplemental indenture permits the Issuer to enter into a Synthetic Security or other hedge, swap or derivative transaction (each a "**hedge agreement**"), the Co-Issuers and the Trustee shall not enter into such supplemental indenture without the consent of a Majority of the Subordinated Notes; *provided* that before entering into any such hedge agreement, the following conditions must be satisfied: (a) the Permitted Securities Condition is satisfied; (b) the Co-Issuers obtain written advice of counsel (also addressed to the Trustee) that (w) entering into such hedge agreement would not cause the Issuer to constitute or to be deemed a "covered fund" under the Volcker Rule, (x) the Issuer upon entering into such hedge agreement would fall within the scope of the exclusion from commodity pool regulation set forth in CFTC Letter No. 12-45 (Interpretation and No-Action) dated December 7, 2012 issued by the Division of Swap Dealer and Intermediary Oversight of the Commodity Futures Trading Commission, or (y) the Issuer upon entering into such hedge agreement will not otherwise cause it to be considered a "commodity pool" as defined in Section 1a(10) of the Commodity Exchange Act, or (z) if the Issuer would be a "commodity pool", (I) the Collateral Manager, and no other party, would be the CPO and CTA thereof and (II) with respect to the Issuer as a "commodity pool", the Collateral Manager is either registered as, or eligible for an exemption from registration as, a CPO and a CTA and, in the latter case, all conditions precedent to obtaining such an exemption have been satisfied; (c) the Collateral Manager agrees in writing (or the supplemental indenture

requires in a manner that is binding on the Collateral Manager) that for so long as the Issuer is a "commodity pool", the Collateral Manager will take all actions necessary to ensure its continuing registration or ongoing compliance with the applicable exemption from registration as a CPO and a CTA with respect to the Issuer, and will take any other actions required as a CPO and a CTA with respect to the Issuer; (d) the counterparty under such hedge agreement has a Moody's long-term credit rating of at least "Aa3" or both a Moody's long-term credit rating of at least "A2" and a Moody's short-term credit rating of at least "P-1" and not on watch for potential downgrade, the Moody's Rating Condition is satisfied and so long as any Notes rated by Fitch remain outstanding, such counterparty has a short term credit rating of at least "F1" by Fitch and a long term credit rating of at least "A" by Fitch; and (e) a copy of such hedge agreement is sent to each of Moody's and, for so long as any Notes rated by Fitch are outstanding, Fitch promptly after execution thereof.

Additional Issuance. The Indenture will provide that, at any time during (but not after) the Reinvestment Period, at the direction of the Collateral Manager, the Co-Issuers (or the Issuer, as applicable) may issue and sell additional secured notes of any one or more new classes of notes that are fully subordinated to the existing Secured Notes (or to the most junior class of securities of the Issuer issued pursuant to the Indenture, if any class of securities issued pursuant to the Indenture other than the Secured Notes is then outstanding) and/or additional notes of any one or more existing Classes and use the proceeds to purchase additional Collateral Obligations or as otherwise permitted under the Indenture; *provided* that, in the case of additional issuances of secured notes of any one or more new classes of notes and/or additional Secured Notes of any one or more existing Classes pursuant to the Indenture, the following conditions are met:

(a) the Collateral Manager consents to such issuance and such issuance is consented to by a Majority of the Subordinated Notes and a Majority of the Controlling Class;

(b) in the case of additional Secured Notes of any one or more existing Classes, the aggregate principal amount of Notes of such Class issued in all additional issuances may not exceed 100% of the respective original outstanding principal amount of the Secured Notes of such Class;

(c) in the case of additional Secured Notes of any one or more existing Classes, the terms of the notes issued must be identical to the respective terms of previously issued Notes of the applicable Class (except that the interest due on such additional notes will accrue from the issue date of such additional notes, the interest rate on such notes may be different from the interest rate applicable to such previously issued Notes but the spread over LIBOR applicable to such additional Notes shall not exceed the spread over LIBOR applicable to the previously issued Notes of that Class, and the additional Secured Notes may not have any ratings);

(d) such additional notes must be issued at a cash sales price equal to or greater than the principal amount thereof;

(e) in the case of additional notes of any one or more existing Classes, unless only additional Subordinated Notes are being issued, additional notes of all Classes (including Subordinated Notes) must be issued (in the case of Subordinated Notes, pursuant to the Subordinated Note Issuing and Paying Agency Agreement) and such issuance of additional notes must be proportional across all Classes (including Subordinated Notes); *provided* that the principal amount of Subordinated Notes issued pursuant to the Subordinated Note Issuing and Paying Agency Agreement in any such issuance may exceed the proportion otherwise applicable to the Subordinated Notes;

(f) the Moody's Rating Condition shall have been satisfied with respect to any Secured Notes not constituting part of such additional issuance and notice shall have been provided to Fitch of such additional issuance;

(g) the proceeds of any additional notes (net of fees and expenses incurred in connection with such issuance, which shall be paid only from proceeds of such additional issuance) will be treated as Principal Proceeds and used to purchase additional Collateral Obligations, to invest in Eligible Investments or to apply pursuant to the Priority of Payments;

(h) immediately after giving effect to such issuance, each Coverage Test is satisfied or with respect to any Coverage Test that was not satisfied immediately prior to giving effect to such issuance and will continue not to be satisfied immediately after giving effect to such issuance, the degree of compliance with such Coverage Test is maintained or improved immediately after giving effect to such issuance and the application of the proceeds thereof; and

(i) an Opinion of Counsel shall be delivered to the Trustee to the effect that (A) in the case of additional notes of any one or more existing Classes, such issuance would not cause the Holders or beneficial owners of previously issued Notes of such Class to be deemed to have sold or exchanged such Notes under Section 1001 of the Code, and (B) any additional Class A1 Notes, Class A-F Notes, Class B Notes, Class C Notes or Class D Notes will, and any additional Class E Notes should, be treated as debt for U.S. federal income tax purposes.

The use of such issuance proceeds as Principal Proceeds may have the effect of causing a Coverage Test that was otherwise failing to be cured or modifying the effect of events that would otherwise give rise to an Event of Default and permit the Controlling Class to exercise remedies under the Indenture. Such additional notes of an existing Class may be offered at prices that differ from the applicable initial offering price.

Any additional notes of an existing Class issued as described above will, to the extent reasonably practicable, be first offered by the Co-Issuers or the Issuer, as applicable, to holders of that Class in such amounts as are necessary to preserve their *pro rata* holdings of Notes of such Class. Any such offer to an existing holder of Notes which has not been accepted within ten Business Days after delivery of such offer by or on behalf of the Co-Issuers or the Issuer, as applicable, shall be deemed a notice by such holder that it declines to purchase additional Notes.

For a description of additional issuances of Subordinated Notes and the conditions relating thereto, see "—Subordinated Notes—Additional Issuance".

Consolidation, Merger or Transfer of Assets. Other than the Closing Merger and except under the limited circumstances set forth in the Indenture, neither the Issuer nor the Co-Issuer may consolidate with, merge into, or transfer or convey all or substantially all of its assets to, any other corporation, partnership, trust or other person or entity.

Petitions for Bankruptcy. The Indenture and the Subordinated Note Issuing and Paying Agency Agreement will provide that the holders of the Secured Notes and Subordinated Notes, as applicable, may not seek to commence a bankruptcy proceeding against or cause the Issuer, the Co-Issuer or any Blocker Subsidiary to petition for bankruptcy until the payment in full of all Notes (and any other debt obligations of the Issuer that have been rated upon issuance by any rating agency at the request of the Issuer) and the expiration of a period equal to one year and one day or, if longer, the applicable preference period then in effect plus one day, following such payment in full. In the event one or more holders of Notes cause the filing of a petition in bankruptcy against the Issuer prior to the expiration of such period, any claim that such holder(s) have against the Issuer or the Co-Issuer or with respect to any Assets (including any proceeds thereof) shall be fully subordinate in right of payment to the claims of each holder of any Note that does not seek to cause any such filing, with such subordination being effective until each Note held by each holder of any Note that does not seek to cause any such filing is paid in full in accordance with the Priority of Payments described herein (after giving effect to such subordination). The foregoing agreement will constitute a "subordination agreement" within the meaning of Section 510(a) of the United States Bankruptcy Code.

Even though each holder will agree not to cause the filing of an involuntary petition in bankruptcy in relation to the Issuer or the Co-Issuer (and will agree to subordinate its claims with respect to the Issuer or the Co-Issuer and the Assets in the event it breaches such agreement) as described above, there is the possibility that a bankruptcy court may in the exercise of its equitable or other powers determine not to enforce such an agreement on the ground that such an agreement violates an essential policy underlying the United States Bankruptcy Code.

Notwithstanding any provision in the Indenture or any other Transaction Document to the contrary, if a bankruptcy petition is filed in violation of the terms of the Indenture, the Issuer, the Co-Issuer or any Blocker Subsidiary, as applicable, subject to the availability of funds as described in the immediately following sentence,

shall promptly object to the institution of any such proceeding against it and to take all necessary or advisable steps to cause the dismissal of any such proceeding (including, without limiting the generality of the foregoing, to timely file an answer and any other appropriate pleading objecting to (i) the institution of any proceeding to have the Issuer, the Co-Issuer or any Blocker Subsidiary, as the case may be, adjudicated as bankrupt or insolvent or (ii) the filing of any petition seeking relief, reorganization, arrangement, adjustment or composition or in respect of the Issuer, the Co-Issuer or any Blocker Subsidiary, as the case may be, under applicable bankruptcy law or any other applicable law). The costs and expenses (including, without limitation, fees and expenses of counsel to the Co-Issuers or any Blocker Subsidiary) incurred by the Co-Issuers or any Blocker Subsidiary in connection with their obligations described in the immediately preceding sentence (the "**Petition Expenses**") will be payable as Administrative Expenses subject to the Administrative Expense Cap.

Satisfaction and Discharge of the Indenture. The Indenture will be discharged with respect to the Assets securing the Secured Notes upon (i) delivery to the Trustee for cancellation of all of the Notes, or, with certain exceptions (including the obligation to pay principal and interest), upon deposit with the Trustee of funds sufficient for the payment or redemption thereof and (ii) the payment by the Co-Issuers of all other amounts due under the Indenture.

Trustee. U.S. Bank National Association will be the initial Trustee under the Indenture. The payment of the fees and expenses of the Trustee relating to the Notes is solely the obligation of the Co-Issuers and solely payable out of the Assets. The Trustee and/or its Affiliates may receive compensation in connection with the Trustee's investment of trust assets in certain Eligible Investments as provided in the Indenture. Eligible Investments may include investments for which the Trustee or an Affiliate of the Trustee provides services. The Co-Issuers, the Collateral Manager and their Affiliates may maintain other banking, investment banking and similar relationships in the ordinary course of business with the Trustee or its Affiliates.

The Indenture contains provisions for the indemnification of the Trustee by the Issuer, payable solely out of the Assets, for any loss, liability or expense incurred without negligence, willful misconduct or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust. The Trustee may resign at any time by providing 30 days' notice. The Trustee may be removed at any time by an act of a Majority of each Class of Secured Notes (voting separately by Class) or, at any time when an Event of Default shall have occurred and be continuing, by an act of a Majority of the Controlling Class as set forth in the Indenture. No resignation or removal of the Trustee will become effective until the acceptance of the appointment of the successor Trustee.

The Trustee will make certain reports with respect to the Collateral Obligations available via its internet website. The Trustee's internet website shall initially be located at "www.usbank.com/cdo"[4]. Assistance in using the website can be obtained by calling the Trustee's customer service desk at any of the phone numbers provided under the customer service tab of the internet website. Parties that are unable to use the above distribution option are entitled to have a paper copy mailed to them via first class mail by calling the customer service desk and indicating such. The Trustee shall have the right to change the way such statements are distributed in order to make such distribution more convenient and/or more accessible to the above parties and the Trustee shall provide timely and adequate notification to all above parties regarding any such changes. As a condition to access to the Trustee's internet website, the Trustee may require registration and the acceptance of a disclaimer. The Trustee will not be liable for the dissemination of information in accordance with the Indenture. The Trustee shall be entitled to rely on but shall not be responsible for the content or accuracy of any information provided in the information set forth in such reports and may affix thereto any disclaimer it deems appropriate in its reasonable discretion.

Under the Indenture, the Trustee shall deliver or otherwise make available (a) to any Holder of Notes or any Person that has certified to the Trustee in a writing that it is the owner of a beneficial interest in a Global Note (including any documentation that the Trustee may request in order to verify ownership), any information or notice provided or listed on the secured note register maintained under the Indenture and requested to be so delivered by a Holder or a Person that has made such certification that is reasonably available to the Trustee and (b) to each Holder of Notes any information or notice provided by a Holder or any Person that has certified to the Trustee in a writing that it is the owner of a beneficial interest in a Global Note (including any documentation that the Trustee may request in order to verify ownership) provided by such Holder or Person with a request that such information or

[4] Such website is expressly not incorporated, in any way, as part of this Offering Circular.

notice be delivered to the other Holders and all related costs for any of the foregoing will be borne by the Issuer as Administrative Expenses.

Amendment of Transaction Documents. The Indenture provides that the Issuer shall not enter into any agreement amending, modifying or terminating any Transaction Document without notifying each Rating Agency and (other than as expressly provided in the Indenture or in such Transaction Document) without the prior written confirmation of Moody's that such amendment, modification or termination will not cause Moody's rating of any Class of Secured Notes to be reduced or withdrawn.

Form, denomination and registration of the Notes

The Notes will be sold only to (i) non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act or (ii) persons that are (1) Qualified Institutional Buyers and Qualified Purchasers (or entities owned or beneficially owned exclusively by Qualified Purchasers) or (2) solely in the case of the ERISA Restricted Notes, (x) Institutional Accredited Investors that are Qualified Purchasers (or entities owned or beneficially owned exclusively by Qualified Purchasers) or (y) Accredited Investors that are Knowledgeable Employees (or entities owned exclusively by Knowledgeable Employees) with respect to the Issuer. Each Note (other than (i) a Post-Closing ERISA Note or (ii) an ERISA Restricted Note sold or transferred to a U.S. person that is not a Qualified Institutional Buyer and Qualified Purchaser (or an entity owned or beneficially owned exclusively by Qualified Purchasers)) sold to a person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Note, is both a Qualified Institutional Buyer and a Qualified Purchaser (or an entity owned or beneficially owned exclusively by Qualified Purchasers), will, in each case, be issued in the form of one or more permanent global notes in definitive, fully registered form without interest coupons (the "**Rule 144A Global Notes**").

The ERISA Restricted Notes that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Note, are (i) Post-Closing ERISA Notes or (ii) sold or transferred to U.S. persons that are not Qualified Institutional Buyers and Qualified Purchasers (or entities owned or beneficially owned exclusively by Qualified Purchasers), shall, in each case, be issued in the form of one or more definitive, fully registered notes without coupons (each, an "**ERISA Restricted Certificated Note**"). Each purchaser of a Closing Date ERISA Note shall deliver to the Trustee (or, in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agent) on or prior to the Closing Date, and as condition to such purchase, a written certification substantially in the form of Annex A-2 attached hereto executed by such purchaser.

The Notes sold to non-U.S. persons in offshore transactions in reliance on Regulation S will be issued in the form of one or more permanent global notes in definitive, fully registered form without interest coupons (the "**Regulation S Global Notes**"). The Rule 144A Global Notes and the Regulation S Global Notes are referred to herein collectively as the "**Global Notes**".

Each initial investor in an ERISA Restricted Certificated Note will have to provide an investor application form acceptable to the Jefferies and each subsequent transferee of an ERISA Restricted Certificated Note will be required to provide a purchaser representation letter in which it will be required to certify, and each initial purchaser or subsequent transferee of an interest in a Global Note (other than, in the case of Closing Date ERISA Notes, with respect to its status under ERISA) will be deemed to make the representations and warranties described in this Offering Circular including, among other matters, as to its status under the Securities Act and the Investment Company Act and certain representations and warranties as to its status under ERISA.

As used above, "**U.S. person**" and "**offshore transaction**" shall have the meanings assigned to such terms in Regulation S under the Securities Act.

The Global Notes will be deposited with the Trustee as custodian for, and registered in the name of Cede & Co., a nominee of, DTC and, in the case of the Regulation S Global Notes, for the respective accounts of Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream**").

A beneficial interest in a Regulation S Global Note may be transferred to a person (other than, in the case of ERISA Restricted Notes, (i) a Benefit Plan Investor or a Controlling Person or (ii) the Collateral Manager or its Affiliates) who takes delivery in the form of an interest in the corresponding Rule 144A Global Note only upon receipt by the Trustee (or, in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agent), of (i) a written certification from the transferor in the form required by the Indenture (or in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agency Agreement), to the effect that such transfer is being made to a person whom the transferor reasonably believes is a Qualified Institutional Buyer in a transaction meeting the requirements of Rule 144A under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction and (ii) in the case of a transfer to a person who takes delivery in the form of a Rule 144A Global Note, a written certification from the transferee in the form required by the Indenture (or in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agency Agreement), to the effect, among other things, that such transferee is (x) a Qualified Institutional Buyer and (y) a Qualified Purchaser (or is an entity owned or beneficially owned exclusively by Qualified Purchasers).

Beneficial interests in a Rule 144A Global Note may be transferred to a person who takes delivery in the form of an interest in the applicable Regulation S Global Note only upon receipt by the Trustee (or, in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agent) of a written certification from the transferor in the form required by the Indenture (or in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agency Agreement) to the effect that such transfer is being made in accordance with Regulation S under the Securities Act and a written certification from the transferee in the form required by the Indenture (or in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agency Agreement) to the effect, among other things, that such transferee is a non-U.S. person purchasing such Note in an offshore transaction pursuant to Regulation S.

A beneficial interest in a Global Note may be transferred to a person who takes delivery in the form of an interest in the corresponding ERISA Restricted Certificated Note only upon receipt by the Trustee (or, in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agent) of (i) a written certification from the transferor in the form required by the Indenture (or in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agency Agreement) to the effect that such transfer is being made to a person whom the transferor reasonably believes is (x) a Qualified Institutional Buyer and a Qualified Purchaser (or an entity owned or beneficially owned exclusively by Qualified Purchasers) in a transaction meeting the requirements of Rule 144A under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction, (y) an Institutional Accredited Investor and a Qualified Purchaser (or an entity owned or beneficially owned exclusively by Qualified Purchasers) in a transaction exempt from registration under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction or (z) an Accredited Investor and a Knowledgeable Employee (or an entity owned exclusively by Knowledgeable Employees) with respect to the Issuer in a transaction exempt from registration under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction, and in each case, (i) a written certification substantially in the form of Annex A-3 (or, in the case of Subordinated Notes, Annex A-1) attached hereto executed by the transferee and (ii) a written certification substantially in the form of Annex A-2 attached hereto executed by the transferee.

A beneficial interest in an ERISA Restricted Certificated Note may be transferred to a person who takes delivery in the form of an interest in the applicable Global Note or ERISA Restricted Certificated Note only upon receipt by the Trustee (or, in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agent) of (i) in the case of a transfer to a person who takes delivery in the form of an interest in the corresponding Regulation S Global Note, a written certification from the transferor in the form required by the Indenture (or in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agency Agreement) to the effect that such transfer is being made in accordance with Regulation S under the Securities Act and a written certification from the transferee in the form required by the Indenture (or in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agency Agreement) to the effect, among other things, that such transferee is a non-U.S. person purchasing such Note in an offshore transaction pursuant to Regulation S, (ii) in the case of a transfer to a person who takes delivery in the form of a Rule 144A Global Note, (A) a written certification from the transferee in the form required by the Indenture (or in the case of Subordinated Notes, the Subordinated Note Issuing and Paying Agency Agreement) to the effect, among other things, that such transferee is (x) a Qualified Institutional Buyer and (y) a

Qualified Purchaser (or is an entity owned or beneficially owned exclusively by Qualified Purchasers) and (B) a written certification substantially in the form of Annex A-2 attached hereto executed by the transferee and (iii) in the case of an ERISA Restricted Certificated Note, (A) a written certification substantially in the form of Annex A-3 (or, in the case of Subordinated Notes, Annex A-1) attached hereto executed by the transferee and (B) a written certification substantially in the form of Annex A-2 attached hereto executed by the transferee.

Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in another Global Note will, upon transfer, cease to be an interest in such Global Note, and become an interest in such other Global Note, and accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Notes for as long as it remains such an interest.

Except with respect to a transfer of a Closing Date ERISA Note on the Closing Date, no ERISA Restricted Note may be transferred to a person taking delivery in the form of an interest in a Global Note that is a Benefit Plan Investor or a Controlling Person.

No transfer of any ERISA Restricted Note (or any interest therein) will be effective, and neither the Trustee nor the Subordinated Note Issuing and Paying Agent, as applicable, will recognize any such transfer, if after giving effect to such transfer 25% or more of the value of the relevant Class of ERISA Restricted Notes of the Issuer would be held by Persons who have represented that they are Benefit Plan Investors, disregarding ERISA Restricted Notes held by Controlling Persons.

No service charge will be made for any registration of transfer or exchange of Notes but the Co-Issuers, the registrar, the Trustee or the Subordinated Note Issuing and Paying Agent may require payment of a sum sufficient to cover any transfer tax or other governmental charge payable in connection therewith. The registrar, the Trustee or Subordinated Note Issuing and Paying Agent will be permitted to request such evidence reasonably satisfactory to it documenting the identity and/or signatures of the transferor and transferee.

The registered owner of the relevant Global Note will be the only person entitled to receive payments in respect of the Notes represented thereby, and the Co-Issuers will be discharged by payment to, or to the order of, the registered owner of such Note in respect of each amount so paid. No person other than the registered owner of the relevant Global Note will have any claim against the Co-Issuers in respect of any payment due on that Global Note. Account holders or participants in Euroclear and Clearstream shall have no rights under the Indenture or the Subordinated Note Issuing and Paying Agency Agreement, as applicable, with respect to Global Notes held on their behalf by the Trustee or the Subordinated Note Issuing and Paying Agent, as applicable, as custodian for DTC, and DTC may be treated by the Co-Issuers, the Trustee or the Subordinated Note Issuing and Paying Agent (as applicable) and any agent of the Co-Issuers or the Trustee or the Subordinated Note Issuing and Paying Agent (as applicable) as the holder of Global Notes for all purposes whatsoever.

Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to have Notes registered in their names, will not receive or be entitled to receive definitive physical Notes, and will not be considered "holders" of Notes under the Indenture, the Subordinated Note Issuing and Paying Agency Agreement or the Notes. If DTC notifies the Co-Issuers that it is unwilling or unable to continue as depositary for Global Notes of any Class or Classes or ceases to be a "clearing agency" registered under the Exchange Act and a successor depositary or custodian is not appointed by the Co-Issuers within 90 days after receiving such notice (a "**Depository Event**"), the Issuer will issue or cause to be issued, Notes of such Class or Classes in the form of definitive physical certificates in exchange for the applicable Global Notes to the beneficial owners of such Global Notes in the manner set forth in the Indenture or the Subordinated Note Issuing and Paying Agency Agreement, as applicable. In addition, the owner of a beneficial interest in a Global Note will be entitled to receive a definitive physical Note in exchange for such interest if an Event of Default has occurred and is continuing. In the event that definitive physical certificates are not so issued by the Issuer to such beneficial owners of interests in Global Notes, the Issuer expressly acknowledges that such beneficial owners shall be entitled to pursue any remedy that the holders of a Global Note would be entitled to pursue in accordance with the Indenture or the Subordinated Note Issuing and Paying Agency Agreement, as applicable, (but only to the extent of such beneficial owner's interest in the Global Note) as if definitive physical Notes had been issued; *provided* that the

Trustee or the Subordinated Note Issuing and Paying Agent, as applicable, shall be entitled to rely upon any certificate of ownership provided by such beneficial owners and/or other forms of reasonable evidence of such ownership. In the event that definitive physical Notes are issued in exchange for Global Notes as described above, the applicable Global Note will be surrendered to the Trustee or the Subordinated Note Issuing and Paying Agent, as applicable, by DTC and the Co-Issuers will execute and the Trustee or the Subordinated Note Issuing and Paying Agent, as applicable, will authenticate and deliver an equal aggregate outstanding principal amount of definitive physical Notes.

The Notes will be subject to certain restrictions on transfer set forth therein and in the Indenture or the Subordinated Note Issuing and Paying Agency Agreement, as applicable, and the Notes will bear a restrictive legend substantially as set forth under "Transfer Restrictions".

The Secured Notes will be issued in minimum denominations of U.S.$100,000 and integral multiples of U.S.$1.00 in excess thereof. The Subordinated Notes will be issued in minimum denominations of U.S.$100,000 and integral multiples of U.S.$1.00 in excess thereof.

In addition to the provisions related to representations on purchase and/or transfer described above, original purchasers of the Secured Notes and the Subordinated Notes will be deemed to make certain representations described below under "Transfer Restrictions".

The Subordinated Notes

The Subordinated Notes will be issued pursuant to the Subordinated Note Issuing and Paying Agency Agreement. The following summary, together with the preceding summary of certain principal terms of the Indenture, describes certain provisions of the Subordinated Notes, but does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Subordinated Note Issuing and Paying Agency Agreement.

Status and Ranking. The Subordinated Notes will be unsecured, subordinated, non-recourse obligations issued by the Issuer under the Subordinated Note Issuing and Paying Agency Agreement. The Subordinated Notes will be fully subordinated to the Secured Notes and to the payment of all other amounts payable in accordance with the Priority of Payments. The Subordinated Notes will not be secured by the Assets or any pledge of the Assets but, under the terms of the Indenture, the Trustee will pay to the Subordinated Note Issuing and Paying Agent for distribution to the holders of the Subordinated Notes amounts available pursuant to the Priority of Payments. To the extent that following realization of the Assets, these amounts are insufficient to repay the principal amount of the Subordinated Notes or to make distributions thereon, no other funds will be available to make such payments.

Distributions on the Subordinated Notes. On the Stated Maturity of the Notes, the Trustee will pay the net proceeds from the liquidation of the Assets and all available cash (but only after the payment of (or establishment of a reserve for) all Administrative Expenses (in the same manner and order of priority in the definition thereof), Management Fees and interest and principal on the Secured Notes) to the Subordinated Note Issuing and Paying Agent for distribution to the holders of the Subordinated Notes in final payment of such Subordinated Notes, unless such Subordinated Notes were previously redeemed or repaid prior thereto as described herein. To the extent funds are available for such purpose under the Indenture as described above, payments will be made to the Subordinated Note Issuing and Paying Agent for distribution to the holders of the Subordinated Notes on each Payment Date, or in connection with any optional or mandatory redemption of the Subordinated Notes as set forth below. The redemption amount paid to the Subordinated Notes on the Stated Maturity or on any optional or mandatory redemption shall exclude any amount required to establish adequate reserves necessary to meet any and all contingent, unliquidated liabilities or obligations of the Issuer, if, and only to the extent required by the law of the Cayman Islands and shall exclude an amount necessary to make a payment to the holders of the ordinary shares of the Issuer equal to U.S.$1.00 per ordinary share of the Issuer.

Payments on the Subordinated Notes will be made by the Subordinated Note Issuing and Paying Agent to the person in whose name the Subordinated Note is registered on the applicable Record Date in the same manner as payments are made to the holders of the Secured Notes as described under "Description of the Notes—Entitlement

to Payments" and any unclaimed payments will be subject to the terms described under "Description of the Notes—Entitlement to Payments—Prescription".

Mandatory Redemption. The Subordinated Notes will be fully redeemed on the Stated Maturity indicated in "Summary of Terms—Principal Terms of the Notes" unless previously redeemed as described herein. The average life of the Subordinated Notes is expected to be less than the number of years until their Stated Maturity. See "Risk Factors—Relating to the Notes—The weighted average lives of the Notes may vary".

Optional Redemption. The Subordinated Notes will be redeemed by the Issuer, in whole but not in part, on any Payment Date on or after the date on which all of the Secured Notes have been redeemed or repaid, from the proceeds of the Assets remaining after giving effect to redemption or repayment of the Secured Notes and payment in full of all expenses of the Co-Issuers, at the direction of the Collateral Manager or a Majority of the Subordinated Notes, which direction may be given in connection with a direction to redeem the Secured Notes or at any time after the Secured Notes have been paid in full. The Redemption Price payable to each holder of the Subordinated Notes will be its proportionate share of the proceeds of the Collateral Obligations, Eligible Investments and other distributable Assets remaining after the payments described above.

Voting. Holders of the Subordinated Notes will have no voting rights except as set forth in the Subordinated Note Issuing and Paying Agency Agreement, the Indenture, the Collateral Management Agreement or the other Transaction Documents, as described herein. A Majority of the Subordinated Notes will be able to direct a redemption of the Secured Notes and/or the Subordinated Notes under certain circumstances pursuant to the Indenture as described herein and, at any time during the Reinvestment Period, may approve an amendment of the Indenture to effect the issuance of additional notes of one of more new classes that are fully subordinated to the existing Secured Notes (or to the most junior class of securities of the Issuer issued pursuant to the Indenture, if any class of securities issued pursuant to the Indenture other than the Secured Notes is then outstanding) and/or additional notes of any existing Class, as described herein. See "Optional Redemption and Tax Redemption", "The Indenture—Modification of Indenture" and "The Indenture—Additional Issuance". In addition, the Issuer is not permitted to consent to any amendment of the Subordinated Note Issuing and Paying Agency Agreement without the consent of all of the Holders of the Subordinated Notes if such amendment would (i) reduce in any manner the amount of, or delay the timing of, or change the allocation of, the payment of any distributions on the Subordinated Notes or (ii) reduce the voting percentage of Subordinated Noteholders required to consent to any amendment to the Subordinated Note Issuing and Paying Agency Agreement.

Subordinated Note Issuing and Paying Agent. U.S. Bank National Association will be the initial Subordinated Note Issuing and Paying Agent under the Subordinated Note Issuing and Paying Agency Agreement. The payment of the fees and expenses of the Subordinated Note Issuing and Paying Agent relating to the Subordinated Notes is solely the obligation of the Issuer and solely payable out of the Assets. The Subordinated Note Issuing and Paying Agent and/or its Affiliates may receive compensation in connection with the investment of trust assets in certain Eligible Investments as provided in the Indenture. Eligible Investments may include investments for which the Subordinated Note Issuing and Paying Agent or an Affiliate of the Subordinated Note Issuing and Paying Agent provides services. The Issuer, the Collateral Manager and their Affiliates may maintain other banking relationships in the ordinary course of business with the Subordinated Note Issuing and Paying Agent or its Affiliates.

The Subordinated Note Issuing and Paying Agency Agreement contains provisions for the indemnification of the Subordinated Note Issuing and Paying Agent by the Issuer, payable solely out of the Assets, for any loss, liability or expense incurred without gross negligence, willful misconduct or bad faith on its part, arising out of or in connection with the performance of the Subordinated Note Issuing and Paying Agent of its obligations under the Subordinated Note Issuing and Paying Agency Agreement. The Subordinated Note Issuing and Paying Agent may resign at any time by providing 30 days' notice. The Subordinated Note Issuing and Paying Agent may be removed at any time by an act of a Majority of the Subordinated Notes as set forth in the Subordinated Note Issuing and Paying Agency Agreement. No resignation or removal of the Subordinated Note Issuing and Paying Agent will become effective until the acceptance of the appointment of the successor Subordinated Note Issuing and Paying Agent.

Modification of the Subordinated Note Issuing and Paying Agency Agreement. The Subordinated Note Issuing and Paying Agency Agreement may be amended by the Issuer and the Subordinated Note Issuing and Paying Agent without the consent of any of the Holders of Subordinated Notes:

(i) to cure any ambiguity, to correct or supplement any provisions in the Subordinated Note Issuing and Paying Agency Agreement which may be inconsistent with any other provisions in the Subordinated Note Issuing and Paying Agency Agreement or with the provisions of the Indenture or this Offering Circular, or to add, change or eliminate any other provisions with respect to matters or questions arising under the Subordinated Note Issuing and Paying Agency Agreement that shall not be inconsistent with the provisions of the Subordinated Note Issuing and Paying Agency Agreement; *provided* that such action shall not, as evidenced by an Opinion of Counsel delivered to the Subordinated Note Issuing and Paying Agent, materially and adversely affect the interests of any Holder of Subordinated Notes;

(ii) to modify the restrictions on and procedures for resales and other transfers of Subordinated Notes (x) to restrict transfers of Subordinated Notes or interests therein to any category of holder whose legal or beneficial ownership of Subordinated Notes or interest therein would, solely by reason of a change in law, impose any material burden on the Issuer or the Collateral Manager or (y) to enable the Issuer to rely upon any exemption from registration under the Securities Act or the Investment Company Act or to remove restrictions on resale and transfer to the extent not required thereunder; *provided* that the Issuer and the Collateral Manager will consult with any interested holder or holders of Subordinated Notes in order to effect modifications of the type contemplated by the foregoing subclause (x) in a manner designed to impose the least burdensome restrictions and/or procedures from among those available to achieve the intended result;

(iii) to make such changes as shall be necessary to permit the Issuer to issue additional subordinated notes;

(iv) to conform the provisions of the Subordinated Note Issuing and Paying Agency Agreement or the Subordinated Notes to this Offering Circular;

(v) to conform, to the extent necessary or desirable, the provisions of the Subordinated Note Issuing and Paying Agency Agreement to changes contained in a supplemental indenture made without the consent of the Holders of any Subordinated Notes pursuant to the Indenture (and described above in the fourth full paragraph under "Description of the Notes—The Indenture—Modification of Indenture"); or

(vi) to take any action advisable to prevent the Issuer from becoming subject to withholding or other taxes, fees or assessments (including requiring Holders of Subordinated Notes to supply information needed to comply with any agreement with the U.S. Internal Revenue Service that the Issuer determines is necessary to avoid withholding under FATCA) or to prevent the Issuer from being treated as engaged in a trade or business within the United States for U.S. federal income tax purposes or otherwise being subject to U.S. federal, state or local income tax on a net income basis.

The Subordinated Note Issuing and Paying Agency Agreement may also be amended from time to time by the Issuer and the Subordinated Note Issuing and Paying Agent with the consent of a Majority of the Subordinated Notes for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Subordinated Note Issuing and Paying Agency Agreement, or of modifying in any manner the rights of the Holders of Subordinated Notes; *provided* that no such amendment shall (i) reduce in any manner the amount of, or delay the timing of, or change the allocation of, the payment of any distributions on the Subordinated Notes or (ii) reduce the voting percentage of the Holders of Subordinated Notes required to consent to any amendment to the Subordinated Note Issuing and Paying Agency Agreement, in each case without the consent of the Holders of all of the outstanding Subordinated Notes.

With respect to any amendment permitted by the Subordinated Note Issuing and Paying Agency Agreement the consent to which is expressly required from all Holders of Subordinated Notes materially and adversely affected thereby and any conforming amendment to the Subordinated Note Issuing and Paying Agency Agreement described in clause (v) above, the Subordinated Note Issuing and Paying Agent shall be entitled to

conclusively rely upon an 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) or an officer's certificate of the Collateral Manager, as to whether or not the holders of the Subordinated Notes would be materially and adversely affected by such amendment. Such determination shall be conclusive and binding on all present and future Holders. The Subordinated Note Issuing and Paying Agent shall not be liable for any such determination made in good faith and in reliance in good faith upon an Opinion of Counsel or an officer's certificate of the Collateral Manager delivered to the Subordinated Note Issuing and Paying Agent.

Prior to the execution of any amendment to the Subordinated Note Issuing and Paying Agency Agreement, the Subordinated Note Issuing and Paying Agent shall be entitled to receive and rely upon (i) an Opinion of Counsel stating that the execution of such amendment is authorized or permitted by the Subordinated Note Issuing and Paying Agency Agreement and (ii) an officer's certificate of the Issuer that all conditions precedent to the execution of such amendment have been complied with.

Additional Issuance. The Subordinated Note Issuing and Paying Agency Agreement will provide that at any time during or after the Reinvestment Period, at the direction of the Collateral Manager, the Issuer may issue and sell additional subordinated notes that are fully subordinated to the existing Secured Notes (or to the most junior class of securities of the Issuer issued pursuant to the Indenture, if any class of securities issued pursuant to the Indenture other than the Secured Notes is then outstanding) and use the proceeds to purchase additional Collateral Obligations or as otherwise permitted under the Indenture; *provided* that the following conditions are met:

(a) the Collateral Manager, a Majority of the Subordinated Notes and unless only additional Subordinated Notes are being issued, a Majority of the Controlling Class each consent to such issuance;

(b) such additional Subordinated Notes must be issued at a cash sales price equal to or greater than the principal amount thereof;

(c) unless only additional Subordinated Notes are being issued, the Moody's Rating Condition shall have been satisfied with respect to any Secured Notes not constituting part of such additional issuance and prior notice has been provided to Fitch; *provided* that if only additional Subordinated Notes are being issued, the Issuer (or the Collateral Manager on its behalf) notifies each Rating Agency then rating a Class of Secured Notes of such issuance prior to the issuance date;

(d) in the case of additional issuance of Secured Notes of any one or more existing Classes under the Indenture concurrently with an additional issuance of Subordinated Notes under the Subordinated Note Issuing and Paying Agency Agreement, additional notes of all Classes (including Subordinated Notes) must be issued (in the case of Subordinated Notes, pursuant to the Subordinated Note Issuing and Paying Agency Agreement, and in the case of secured notes, under the Indenture) and such issuance of additional notes must be proportional across all Classes (including Subordinated Notes); *provided* that the principal amount of Subordinated Notes issued under the Subordinated Note Issuing and Paying Agency Agreement in any such issuance may exceed the proportion otherwise applicable to the Subordinated Notes;

(e) the proceeds of any additional Subordinated Notes (net of fees and expenses incurred in connection with such issuance, which shall be paid only from proceeds of such additional issuance) shall be treated as Principal Proceeds and used to purchase additional Collateral Obligations, to invest in Eligible Investments or to apply pursuant to the Priority of Payments; and

(f) immediately after giving effect to such issuance, each Coverage Test is satisfied or with respect to any Coverage Test that was not satisfied immediately prior to giving effect to such issuance and will continue not to be satisfied immediately after giving effect to such issuance, the degree of compliance with such Coverage Test is maintained or improved immediately after giving effect to such issuance and the application of the proceeds thereof.

Any additional subordinated notes issued as described above will, to the extent reasonably practicable, be first offered to holders of Subordinated Notes in such amounts as are necessary to preserve their *pro rata* holdings of

Subordinated Notes. Any such offer to an existing holder of Subordinated Notes which has not been accepted within ten Business Days after delivery or such offer by or on behalf of the Issuer shall be deemed a notice by such holder that it declines to purchase additional subordinated Notes.

No Gross-Up

All payments on the Notes will be made without any deduction or withholding for or on account of any tax unless such deduction or withholding is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, then in effect or is required pursuant to the Issuer's agreement with a governmental authority. If the Issuer is so required to deduct or withhold, then neither the Issuer nor the Co-Issuer will be obligated to pay any additional amounts in respect of such withholding or deduction.

Tax Characterization

The Issuer intends to treat, and the Indenture and the Subordinated Note Issuing and Paying Agency Agreement will collectively provide that the Issuer, the Co-Issuer, the Trustee and the Subordinated Note Issuing and Paying Agent agree and each Holder and beneficial owner of Notes, by accepting a Note, agrees, to treat (i) the Secured Notes as debt instruments of the Issuer, except that Holders of the Class E Notes may make a protective QEF election and (ii) the Subordinated Notes as equity interests in the Issuer only, in each case for U.S. federal and, to the extent permitted by law, state and local income and franchise tax purposes. The Indenture and the Subordinated Note Issuing and Paying Agency Agreement will provide that each holder, by accepting a Note, agrees to report all income (or loss) in accordance with such treatment and to take no action inconsistent with such treatment unless otherwise required by a relevant taxing authority.

The Issuer expects to be treated as a corporation for U.S. federal income tax purposes and the Indenture and the Subordinated Note Issuing and Paying Agency Agreement will provide that the Issuer agrees not to elect to be treated otherwise.

Compliance with Rule 17g-5 and Rule 17g-10

To enable the Rating Agencies to comply with Rule 17g-5 of the Exchange Act, the Issuer has agreed with each Rating Agency to the effect that it will post or cause to be posted on a password-protected internet website, at the same time such information is provided to the Rating Agencies, all information the Issuer provides or causes to be provided to the Rating Agencies for the purposes of determining the initial credit rating of the Notes or undertaking credit rating surveillance of the Notes. The Issuer has arranged to provide access to the website to other NRSROs that provide the Issuer with the certification required by Rule 17g-5. As a result, an NRSRO other than the Rating Agencies may issue ratings on the Notes, which may be lower, and could be significantly lower, than the ratings assigned by the Rating Agencies. See "Risk Factors—Relating to the Notes—Rating agencies may have certain conflicts of interest; and the Notes may receive an unsolicited rating, which may have an adverse effect on the liquidity or the market price of the Notes".

In addition, when effective, Rule 17g-10 will require parties that perform "due diligence services" (as defined in such rule) relating to the Collateral Obligations to provide a written certification to NRSROs relating to the diligence services provided and the applicable findings and conclusions. Such certification will be contained on United States Securities and Exchange Commission Form ABS Due Diligence-15E. Pursuant to Rule 17g-5 and the Indenture, the Issuer will be required to cause such form to be posted on such website. Rule 17g-10 will be effective on June 15, 2015 and will be applicable to the Effective Date Accountants' Comparison Report and may be applicable to other reports prepared by the independent accountants appointed by the Issuer.

RATINGS OF THE SECURED NOTES

The Secured Notes

It is a condition of the issuance of the Notes that the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes receive from Moody's, the minimum rating indicated under "Summary of Terms—Principal Terms of the Notes". In addition, a rating agency not hired by the Issuer to rate the transaction may provide an unsolicited rating that differs from (or is lower than) the ratings provided by the Rating Agencies. A security rating is not a recommendation to buy, sell or hold securities and is subject to withdrawal at any time. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the assigning Rating Agency if in its judgment circumstances in the future so warrant. See "Risk Factors—Relating to the Notes—Rating agencies may have certain conflicts of interest; and the Notes may receive an unsolicited rating, which may have an adverse effect on the liquidity or the market price of the Notes".

The ratings of the Secured Notes address the likelihood of full and ultimate payment to holders of the Secured Notes of all distributions of stated interest and the ultimate payment in full of the principal amount of each such Class not later than its respective Stated Maturity. The ratings assigned to the Secured Notes of each Class rated by such Rating Agency are based upon its assessment of the probability that the Collateral Obligations will provide sufficient funds to pay the Secured Notes of such Class (based upon the Interest Rate and principal balance or face amount, as applicable, of such Class), based largely upon such Rating Agency's statistical analysis of historical default rates on debt securities with various ratings, the terms of the Indenture, the asset and interest coverage required for the Secured Notes (which is achieved through the subordination of the Subordinated Notes and certain Classes of Secured Notes as described herein), and the Concentration Limitations and the Collateral Quality Test.

In addition to their respective quantitative tests, the ratings of each Rating Agency take into account qualitative features of a transaction, including the legal structure and the risks associated with such structure, such Rating Agency's view as to the quality of the participants in the transaction and other factors that it deems relevant.

No rating of the Subordinated Notes will be sought in connection with the issuance thereof.

Inapplicability of Certain References to Rating Agencies

With respect to any event or circumstance that requires satisfaction of the Moody's Rating Condition, such condition shall be deemed inapplicable with respect to such event or circumstance if Moody's has:

(a) made a public statement to the effect that Moody's will no longer review events or circumstances of the type requiring satisfaction of the Moody's Rating Condition in the Indenture for purposes of evaluating whether to confirm the then-current ratings (or initial ratings) on obligations rated by Moody's; or

(b) communicated to the Issuer, the Collateral Manager or the Trustee that Moody's will not review such event or circumstance for purposes of evaluating whether to confirm the then-current ratings (or initial ratings) of the Notes;

provided that the Moody's Rating Condition shall not be deemed inapplicable with respect to such event or circumstance if Moody's has communicated to the Issuer, the Collateral Manager or the Trustee that such event or circumstance would result in a reduction, downgrade or withdrawal of Moody's then-current rating with respect to any relevant Class or Classes of Secured Notes.

SECURITY FOR THE SECURED NOTES

The "**Assets**" will consist of, and the Issuer will grant to the Trustee a perfected security interest for the benefit of the Secured Parties in:

(a) the Collateral Obligations that the Issuer causes to be delivered to the Trustee (directly or through an intermediary or bailee) pursuant to the Indenture and all payments thereon or with respect thereto, and all Collateral Obligations which are delivered to the Trustee in the future pursuant to the terms of the Indenture and all payments thereon or with respect thereto;

(b) the Issuer's interest in (i) (A) the Payment Account, (B) the Collection Account, (C) the Ramp-Up Account, (D) the Revolver Funding Account, (E) the Expense Reserve Account, (F) the Custodial Account, and (G) the Interest Reserve Account, and in each case any Eligible Investments purchased with funds on deposit therein, and all income from the investment of funds therein;

(c) the equity interest in any Blocker Subsidiary and all payments and rights thereunder;

(d) the Issuer's rights under the Collateral Management Agreement, the Subordinated Note Issuing and Paying Agency Agreement, the Collateral Administration Agreement and the investor application forms;

(e) all cash or money delivered to the Trustee (or its bailee) for the benefit of the Secured Parties;

(f) all accounts, chattel paper, deposit accounts, financial assets, general intangibles, instruments, investment property, letter-of-credit rights and other supporting obligations relating to the foregoing;

(g) any other property otherwise delivered to the Trustee by or on behalf of the Issuer (including any other securities or investments not listed above and whether or not constituting Collateral Obligations or Eligible Investments); and

(h) all proceeds with respect to the foregoing;

provided that such grants shall not include the U.S.$250 transaction fee paid to the Issuer in consideration of the issuance of the Notes, the funds attributable to the issuance and allotment of the Issuer's ordinary shares or the bank account in the Cayman Islands in which such funds are deposited (or any interest thereon), the shares of the Co-Issuer or any assets of the Co-Issuer.

Collateral Obligations

It is expected that at least U.S.$423,000,000 in Aggregate Principal Balance of the Pre-Closing Collateral Obligations to be held by the Issuer as of the Closing Date will be acquired (or committed to be acquired), directly or indirectly, by the Issuer or the Warehousing SPE, as applicable, prior to the Closing Date, in coordination with the Collateral Manager, at prevailing market prices at the time of purchase by the Issuer or the Warehousing SPE, as applicable. The purchase of such Pre-Closing Collateral Obligations has been financed (i) in part, by certain financing arrangements pursuant to the Warehouse Agreement previously provided by the Warehouse Provider to the Issuer and (ii) in part, by cash contributed to the Issuer (in exchange for preference shares therein) by the Collateral Manager and/or certain Affiliates of the Collateral Manager. See "Risk Factors—Relating to the Collateral Obligations— Acquisition of initial Collateral Obligations before the Closing Date".

It is expected (but there can be no assurance) that the Concentration Limitations, the Collateral Quality Test and all of the Coverage Tests will be satisfied on or before the Effective Date (or, in the case of the Interest Coverage Test, on or before the Determination Date occurring immediately prior to the second Payment Date).

An obligation meeting the standards set forth below that is pledged by the Issuer to the Trustee will constitute a "**Collateral Obligation**". An obligation will be eligible for purchase by the Issuer and will be eligible to be pledged by the Issuer to the Trustee as a Collateral Obligation if it is a Senior Secured Loan, Second Lien Loan or

Unsecured Loan (including, but not limited to, interests in bank loans acquired by way of a purchase or assignment) or Participation Interest therein that as of the date of acquisition by the Issuer:

(i) is U.S. Dollar-denominated and is neither convertible by the obligor thereon or the issuer thereof into, nor payable in, any other currency;

(ii) is not (A) a Defaulted Obligation or (B) a Credit Risk Obligation;

(iii) is not a lease or a finance lease;

(iv) (A) is not an Interest Only Security, Step-Up Obligation or Step-Down Obligation and (B) if a Deferrable Obligation, is not currently deferring payment of any accrued and unpaid interest which would have otherwise been due and continues to remain unpaid;

(v) provides (in the case of a Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, with respect to the amounts drawn thereunder) 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 amortization or prepayment at a price of less than par;

(vi) does not constitute Margin Stock;

(vii) provides that the Issuer will receive payments due under the terms of such asset and proceeds from disposing of such asset free and clear of withholding tax, other than (A) withholding tax as to which the obligor or issuer, subject to customary exceptions, must make additional payments so that the net amount received by the Issuer after satisfaction of such tax is the amount due to the Issuer before the imposition of any withholding tax and (B) withholding tax imposed under FATCA or on (x) amendment, waiver, consent and extension fees and (y) commitment fees and other similar fees in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations;

(viii) has a Moody's Rating and, so long as any Notes rated by Fitch remain outstanding, an S&P Rating;

(ix) is not a debt obligation whose repayment is subject to substantial non-credit related risk as determined by the Collateral Manager;

(x) except for Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations, is not an obligation pursuant to which any future advances or payments to the borrower or the obligor thereof may be required to be made by the Issuer;

(xi) does not have an "f", "r", "p", "pi", "q", "t" or "sf" subscript assigned by S&P or "sf" subscript assigned by Moody's or any other NRSRO;

(xii) is not a Related Obligation, a Bridge Loan, a Middle Market Loan or a Structured Finance Obligation;

(xiii) will not require the Issuer, the Co-Issuer or the pool of Assets to be registered as an investment company under the Investment Company Act;

(xiv) is not, by its terms, convertible into or exchangeable for an Equity Security at any time over its life or attached with a warrant to purchase Equity Securities;

(xv) is not the subject of a pending tender offer, voluntary redemption, exchange offer, conversion or other similar action;

(xvi) does not have an S&P Rating that is below "CCC" or, a Moody's Default Probability Rating that is below "Caa2";

(xvii) does not mature after earlier of the Stated Maturity of the Notes and, if applicable, the earliest maturity of any obligation issued in connection with a Refinancing;

(xviii) if a Floating Rate Obligation, accrues interest at a floating rate determined by reference to (a) the Dollar prime rate, federal funds rate or LIBOR or (b) a similar interbank offered rate, commercial deposit rate or any other index in respect of which the Moody's Rating Condition is satisfied;

(xix) is Registered;

(xx) the acquisition (including the manner of acquisition), ownership, enforcement and disposition of such obligation or security will not cause the Issuer to be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes or otherwise to be subject to tax on a net income basis in any jurisdiction outside its jurisdiction of incorporation;

(xxi) is not a Synthetic Security;

(xxii) does not pay interest less frequently than semi-annually;

(xxiii) is not, and does not include or support, a letter of credit;

(xxiv) is not an interest in a grantor trust;

(xxv) is purchased at a price at least equal to 65% of its Principal Balance;

(xxvi) is issued by an obligor Domiciled in the United States, Canada, a Group I Country, a Group II Country, a Group III Country or a Tax Jurisdiction and is not issued by an obligor Domiciled in Spain, Greece, Italy or Portugal;

(xxvii) is not issued by a sovereign, or by a corporate issuer or obligor located in a country, which sovereign or country on the date on which the obligation is acquired by the Issuer imposed foreign exchange controls that effectively limit the availability or use of U.S. Dollars to make when due the scheduled payments of principal thereof and interest thereon;

(xxviii) is not an asset which is treated for U.S. federal income tax purposes as an equity interest in an entity that is treated as a partnership or other noncorporate entity for U.S. federal income tax purposes, a residual interest in a "REMIC," an ownership interest in a "FASIT" or any asset that constitutes a "United States real property interest"; *provided* that the Issuer shall not acquire any security of a "United States real property holding corporation" (unless such security is a debt security that represents an interest, solely as a creditor, that provides no direct or indirect right to share in appreciation in the value of, or the gross or net proceeds or profits generated by the debtor or its Affiliates from, real property);

(xxix) is not a "commodity interest" as such term is used in the definition of "commodity pool" in Section 1a of the Commodity Exchange Act, as amended; and

(xxx) is not a Bond.

The composition of the Collateral Obligations will change over time as a result of (i) scheduled and unscheduled principal payments on the Collateral Obligations and (ii) subject to the limitations described under "—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria", during the Reinvestment Period (and, solely with respect to Eligible Post-Reinvestment Proceeds, after the Reinvestment Period), the acquisition of additional Collateral Obligations, sales of Assets and reinvestment of Sale Proceeds and other Principal Proceeds.

The Concentration Limitations

In connection with any investment in Collateral Obligations on and after the Effective Date, the Collateral Obligations in the aggregate are required to comply with all of the requirements of the Concentration Limitations set forth under "Summary of Terms—Concentration Limitations" or, if not in compliance at the time of reinvestment, the relevant requirements must be maintained or improved as a result of such reinvestment as described in the Investment Criteria. See "Collateral Assumptions" below for a description of the assumptions applicable to the determination of satisfaction of the Concentration Limitations.

The Collateral Quality Test

On any date of determination on and after the Effective Date, except in certain circumstances described in the Investment Criteria, the Collateral Obligations in the aggregate are required to comply with all of the requirements of the Collateral Quality Test set forth under "Summary of Terms—Collateral Quality Test" or, if not in compliance at the time of reinvestment, the relevant requirements must be maintained or improved as described in the Investment Criteria. Measurement of the degree of compliance with the Collateral Quality Test will be required on every Measurement Date on and after the Effective Date. See "Collateral Assumptions" for a description of the assumptions applicable to the determination of satisfaction of the Collateral Quality Test.

Minimum Floating Spread Test.

The "**Minimum Floating Spread Test**" will be satisfied on any date of determination if the Weighted Average Floating Spread equals or exceeds the Minimum Floating Spread.

The "**Weighted Average Floating Spread**" as of any Measurement Date, is the sum of:

(a) a number obtained by dividing (i) the amount equal to (A) the Aggregate Funded Spread *plus* (B) the Aggregate Unfunded Spread plus (C) the Aggregate Excess Funded Spread by (ii) an amount equal to the Aggregate Principal Balance of all Floating Rate Obligations as of such Measurement Date, in each case, excluding (x) any Defaulted Obligation and (y) any Deferrable Obligation to the extent of any non-cash interest; and

(b) the Excess Weighted Average Coupon.

The "**Aggregate Funded Spread**" is, as of any Measurement Date, the sum of:

(a) in the case of each Floating Rate Obligation (excluding (w) any Defaulted Obligation, (x) any Deferrable Obligation to the extent of any non-cash interest, (y) the unfunded portion of any Delayed Drawdown Collateral Obligation and any Revolving Collateral Obligation and (z) any LIBOR Floor Obligation) that bears interest at a spread over a London interbank offered rate based index, (i) the stated interest rate spread on such Collateral Obligation above such index *multiplied by* (ii) the Principal Balance of such Collateral Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation);

(b) in the case of each Floating Rate Obligation (excluding (x) any Defaulted Obligation, (y) any Deferrable Obligation to the extent of any non-cash interest and (z) the unfunded portion of any Delayed Drawdown Collateral Obligation and any Revolving Collateral Obligation) that bears interest at a spread over an index other than a London interbank offered rate based index, (i) the excess of the sum of such spread and such index over LIBOR as of the immediately preceding Interest Determination Date (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 Collateral Obligation); and

(c) in the case of each LIBOR Floor Obligation (excluding (x) any Defaulted Obligation, (y) any Deferrable Obligation to the extent of any non-cash interest and (z) the unfunded portion of any Delayed Drawdown

Collateral Obligation and any Revolving Collateral Obligation), (i) the sum of (A) the stated interest rate spread over the London interbank offered rate based index for such LIBOR Floor Obligation *plus* (B) the excess (if any) of (x) the specified "floor" rate over (y) the London interbank offered rate for the applicable interest period for such LIBOR Floor Obligation *multiplied by* (ii) the Principal Balance of each such Collateral Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation and any Revolving Collateral Obligation).

For purposes of this definition the interest rate spread will be deemed to be, with respect to (i) any Step-Down Obligation, the lowest of the then current interest rate spread and any applicable future interest rate spread and (ii) any Step-Up Obligation, the then current interest rate spread.

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 Collateral Obligation (other than Defaulted Obligations), the related commitment fee then in effect as of such date and (ii) the undrawn commitments of each such Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation as of such date.

The "**Aggregate Excess Funded Spread**" is, as of any Measurement Date, the amount obtained by multiplying:

(a) the amount equal to LIBOR as of the immediately preceding Interest Determination Date; by

(b) the amount (not less than zero) equal to (i) the Aggregate Principal Balance of the Collateral Obligations (excluding (x) any Defaulted Obligation and (y) any Deferrable Obligation to the extent of any non-cash interest) as of such Measurement Date *minus* (ii) (x) prior to the end of the Reinvestment Period, the Target Initial Par Amount *plus* the aggregate amount of Principal Proceeds that result from the issuance of any additional notes under and in accordance with the Indenture (after giving effect to such issuance of any additional notes) or (y) after the Reinvestment Period, the Reinvestment Target Par Balance.

Minimum Weighted Average Coupon Test

The "**Minimum Weighted Average Coupon Test**" will be satisfied on any Measurement Date if the Weighted Average Coupon plus the Excess Weighted Average Floating Spread equals or exceeds 6.50%.

The "**Weighted Average Coupon**" is, as of any Measurement Date, 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 Obligations as of such Measurement Date (excluding any Defaulted Obligations).

The "**Aggregate Coupon**" is, as of any Measurement Date, the sum of, in the case of each Fixed Rate Obligation (excluding (x) any Defaulted Obligation, (y) any Deferrable Obligation to the extent of any non-cash interest and (z) the unfunded portion of any Delayed Drawdown Collateral Obligation and any Revolving Collateral Obligation) (i) the stated rate at which interest accrues on such Fixed Rate Obligation multiplied by (ii) the Principal Balance of such Collateral Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation and any Revolving Collateral Obligation). For purposes of this definition the stated rate will be deemed to be, with respect to (i) any Step-Down Obligation, the lowest of the then current stated rate and any applicable future stated rate and (ii) any Step-Up Obligation, the then current stated rate.

The "**Excess Weighted Average Floating Spread**" is, as of any Measurement Date, a percentage equal to the number obtained by multiplying (i) the excess, if any, of the Weighted Average Floating Spread over the Minimum Floating Spread by (ii) the number obtained by dividing the Aggregate Principal Balance of all Floating Rate Obligations by the Aggregate Principal Balance of all Fixed Rate Obligations, in each case, excluding any Defaulted Obligations.

Maximum Moody's Rating Factor Test.

The "**Maximum Moody's Rating Factor Test**" will be satisfied on any date of determination if the Adjusted Weighted Average Moody's Rating Factor of the Collateral Obligations is less than or equal to the sum of (i) the number set forth in the Minimum Diversity Score/Maximum Rating/Minimum Floating Spread Matrix at the intersection of the applicable "row/column combination" chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture *plus* (ii) the Moody's Weighted Average Recovery Adjustment *plus* (iii) the Moody's Class AX Adjustment; *provided* that the Maximum Moody's Rating Factor Test shall in no event be greater than 3200.

The "**Weighted Average Moody's Rating Factor**" is the number (rounded up to the nearest whole number) determined by:

(a) summing the products of (i) the Principal Balance of each Collateral Obligation (excluding Defaulted Obligations) *multiplied by* (ii) the Moody's Rating Factor of such Collateral Obligation (as described below); and

(b) dividing such sum by the outstanding Principal Balance of all such Collateral Obligations.

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 (as described above) of such Collateral Obligation.

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
Aaa	1	Ba1	940
Aa1	10	Ba2	1,350
Aa2	20	Ba3	1,766
Aa3	40	B1	2,220
A1	70	B2	2,720
A2	120	B3	3,490
A3	180	Caa1	4,770
Baal	260	Caa2	6,500
Baa2	360	Caa3	8,070
Baa3	610	Ca or lower	10,000

Moody's Diversity Test.

The "**Moody's Diversity Test**" will be satisfied on any date of determination if the Diversity Score (rounded to the nearest whole number) equals or exceeds the number set forth in the column entitled "Minimum Diversity Score" in the Minimum Diversity Score/Maximum Rating/Minimum Floating Spread Matrix based upon the applicable "row/column combination" chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture.

For purposes of the Moody's Diversity Test, the Diversity Score (the "**Diversity Score**") is a single number that indicates collateral concentration in terms of both issuer and industry concentration. A higher Diversity Score reflects a more diverse portfolio in terms of issuer and industry concentration. The Diversity Score is calculated as follows:

(i) An "**Issuer Par Amount**" is calculated for each issuer of a Collateral Obligation, and is equal to the Aggregate Principal Balance of all Collateral Obligations issued by that issuer and all Affiliates.

(ii) An "**Average Par Amount**" is calculated by summing the Issuer Par Amounts for all issuers, and dividing by the number of issuers.

(iii) An "**Equivalent Unit Score**" is calculated for each issuer, and is equal to the lesser of (x) one and (y) the Issuer Par Amount for such issuer *divided* by the Average Par Amount.

(iv) An "**Aggregate Industry Equivalent Unit Score**" is then calculated for each of the Moody's industry classification groups and is equal to the sum of the Equivalent Unit Scores for each issuer in such industry classification group.

(v) An "**Industry Diversity Score**" is then established for each Moody's industry classification groups by reference to the following table for the related Aggregate Industry Equivalent Unit Score; *provided* that if any Aggregate Industry Equivalent Unit Score falls between any two such scores, the applicable Industry Diversity Score will be the lower of the two Industry Diversity Scores:

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
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

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
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		

(vi) The Diversity Score is then calculated by summing each of the Industry Diversity Scores for each Moody's industry classification group.

For purposes of calculating the Diversity Score, affiliated issuers in the same industry are deemed to be a single issuer except as otherwise agreed to by Moody's.

Minimum Weighted Average Moody's Recovery Rate Test.

The "**Minimum Weighted Average Moody's Recovery Rate Test**" will be satisfied on any date of determination if the Weighted Average Moody's Recovery Rate equals or exceeds 45.0%.

The "**Weighted Average Moody's Recovery Rate**" is, as of any date of determination, the number, expressed as a percentage, obtained by summing the product of the Moody's Recovery Rate on such Measurement Date of each Collateral Obligation (excluding any Defaulted Obligations) and the Principal Balance of such Collateral Obligation, dividing such sum by the Aggregate Principal Balance of all such Collateral Obligations and rounding up to the first decimal place.

The "**Moody's Recovery Rate**" is, with respect to any Collateral Obligation, as of any date of determination, the recovery rate determined in accordance with the following, in the following order of priority:

(a) if the Collateral 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 and the Collateral Obligation is a Moody's Senior Secured Loan, Second Lien Loan or any Other Collateral Obligation (in each case other than a DIP Collateral Obligation), 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 Senior Secured Loans	Second Lien Loans*	Other Collateral Obligations
+2 or more	60.0%	55.0%	45.0%
+1	50.0%	45.0%	35.0%
0	45.0%	35. 0%	30.0%

Number of Moody's Ratings Subcategories Difference Between the Moody's Rating and the Moody's Default Probability Rating	Moody's Senior Secured Loans	Second Lien Loans*	Other Collateral Obligations
-1	40.0%	25.0%	25.0%
-2	30.0%	15.0%	15.0%
-3 or less	20.0%	5.0%	5.0%

*If such Collateral Obligation does not have a CFR (as defined in Annex B) and an Assigned Moody's Rating (as defined in Annex B), such Collateral Obligation will be deemed to be an "Other Collateral Obligation" for purposes of this table.

(c) if the Collateral Obligation is a DIP Collateral Obligation (other than a DIP Collateral Obligation which has been specifically assigned a recovery rate by Moody's), 50%.

Weighted Average Life Test.

The "**Weighted Average Life Test**" will be satisfied on any date of determination if the Weighted Average Life of all Collateral Obligations as of such date is less than the Maximum Weighted Average Life.

The "**Weighted Average Life**" is, as of any date of determination with respect to all Collateral Obligations other than Defaulted Obligations, the number of years following such date obtained by summing the products obtained by multiplying:

(a) the Average Life at such time of each such Collateral Obligation by (b) the outstanding Principal Balance of such Collateral Obligation

and dividing such sum by:

the Aggregate Principal Balance at such time of all Collateral Obligations other than Defaulted Obligations.

The "**Average Life**" is, on any date of determination 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 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.

The "**Maximum Weighted Average Life**" is, as of any date of determination, the number of years set forth in the table below next to (i) if such date is a Weighted Average Life Determination Date, such Weighted Average Life Determination Date or (ii) if such date is not a Weighted Average Life Determination Date, the most recent Weighted Average Life Determination Date preceding such date of determination:

Weighted Average Life Determination Date	Maximum Weighted Average Life
May 14, 2015	8.00
June 14, 2015	7.92
July 14, 2015	7.83
August 14, 2015	7.75
September 14, 2015	7.67
October 14, 2015	7.58
November 14, 2015	7.50

December 14, 2015	7.42
January 14, 2016	7.33
February 14, 2016	7.25
March 14, 2016	7.17
April 14, 2016	7.08
May 14, 2016	7.00
June 14, 2016	6.92
July 14, 2016	6.83
August 14, 2016	6.75
September 14, 2016	6.67
October 14, 2016	6.58
November 14, 2016	6.50
December 14, 2016	6.42
January 14, 2017	6.33
February 14, 2017	6.25
March 14, 2017	6.17
April 14, 2017	6.08
May 14, 2017	6.00
June 14, 2017	5.92
July 14, 2017	5.83
August 14, 2017	5.75
September 14, 2017	5.67
October 14, 2017	5.58
November 14, 2017	5.50
December 14, 2017	5.42
January 14, 2018	5.33
February 14, 2018	5.25
March 14, 2018	5.17
April 14, 2018	5.08
May 14, 2018	5.00
June 14, 2018	4.92
July 14, 2018	4.83
August 14, 2018	4.75
September 14, 2018	4.67
October 14, 2018	4.58
November 14, 2018	4.50
December 14, 2018	4.42
January 14, 2019	4.33
February 14, 2019	4.25
March 14, 2019	4.17
April 14, 2019	4.08

May 14, 2019	4.00
June 14, 2019	3.92
July 14, 2019	3.83
August 14, 2019	3.75
September 14, 2019	3.67
October 14, 2019	3.58
November 14, 2019	3.50
December 14, 2019	3.42
January 14, 2020	3.33
February 14, 2020	3.25
March 14, 2020	3.17
April 14, 2020	3.08
May 14, 2020	3.00
June 14, 2020	2.92
July 14, 2020	2.83
August 14, 2020	2.75
September 14, 2020	2.67
October 14, 2020	2.58
November 14, 2020	2.50
December 14, 2020	2.42
January 14, 2021	2.33
February 14, 2021	2.25
March 14, 2021	2.17
April 14, 2021	2.08
May 14, 2021	2.00
June 14, 2021	1.92
July 14, 2021	1.83
August 14, 2021	1.75
September 14, 2021	1.67
October 14, 2021	1.58
November 14, 2021	1.50
December 14, 2021	1.42
January 14, 2022	1.33
February 14, 2022	1.25
March 14, 2022	1.17
April 14, 2022	1.08
May 14, 2022	1.00
June 14, 2022	0.92
July 14, 2022	0.83
August 14, 2022	0.75
September 14, 2022	0.67

October 14, 2022	0.58
November 14, 2022	0.50
December 14, 2022	0.42
January 14, 2023	0.33
February 14, 2023	0.25
March 14, 2023	0.17
April 14, 2023	0.08
May 14, 2023	0.00

The "**Weighted Average Life Determination Date**" means May 14, 2015 and the 14th day of each month thereafter to May 14, 2023.

Collateral Assumptions

Unless otherwise specified, the assumptions described below will be applied to the determination of the Concentration Limitations, the Collateral Quality Test, the Coverage Tests and other determinations and calculations required by the Indenture.

For purposes of calculating all Concentration Limitations, in both the numerator and the denominator of any component of the Concentration Limitations, Defaulted Obligations will be treated as having a Principal Balance equal to zero. Except where expressly referenced herein for inclusion in such calculations, Defaulted Obligations will not be included in the calculation of the Collateral Quality Test.

For purposes of calculating the Coverage Tests and the Interest Diversion Test, except as otherwise specified in the Coverage Tests, such calculations will not include scheduled interest and principal payments on Defaulted Obligations.

For purposes of calculating clause (i) of the Concentration Limitations the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds, shall each be deemed to be a Floating Rate Obligation that is a Senior Secured Loan.

For purposes of calculating compliance with each of the Concentration Limitations, all calculations will be rounded to the nearest 0.1%. All other calculations, unless otherwise set forth in the Indenture or the context otherwise requires, shall be rounded to the nearest ten-thousandth if expressed as a percentage, and to the nearest one-hundredth if expressed otherwise.

For all purposes (including calculation of the Coverage Tests), the Principal Balance of a Revolving Collateral Obligation or a Delayed Drawdown Collateral Obligation will include all unfunded commitments that have not been irrevocably reduced or withdrawn.

For purposes of calculating the sale proceeds of a Collateral Obligation in sale transactions, sale proceeds will include any Principal Financed Accrued Interest received in respect of such sale.

For each Collection Period and as of any date of determination, the scheduled payment of principal and/or interest on any Asset (other than a Defaulted Obligation, which, except as otherwise provided herein, shall be assumed to have scheduled distributions of zero) shall be the sum of (i) the total amount of payments and collections to be received during such Collection Period in respect of such Asset (including the proceeds of the sale of such Asset received and, in the case of sales which have not yet settled, to be received during the Collection Period and not reinvested in additional Collateral Obligations or Eligible Investments or retained in the Collection Account for subsequent reinvestment) that, if received as scheduled, will be available in the Collection Account at the end of the

Collection Period and (ii) any such amounts received by the Issuer in prior Collection Periods that were not disbursed on a previous Payment Date.

Each scheduled payment of principal and/or interest receivable with respect to an Asset shall be assumed to be received on the applicable due date thereof (other than a Defaulted Obligation, which, except as otherwise provided herein, shall be assumed to have scheduled distributions of zero), and each such scheduled payment of principal and/or interest shall be assumed to be immediately deposited in the Collection Account to earn interest at an assumed reinvestment rate. All such funds shall be assumed to continue to earn interest until the date on which they are required to be available in the Collection Account for application, in accordance with the terms of the Indenture, to payments of principal of or interest on the Notes or other amounts payable pursuant to the Indenture.

All calculations with respect to scheduled distributions on the Assets shall be made on the basis of information as to the terms of each such Asset and upon reports of payments, if any, received on such Asset that are furnished by or on behalf of the issuer or obligor of such Asset and, to the extent they are not manifestly in error, such information or reports may be conclusively relied upon in making such calculations.

For purposes of calculating compliance with the Investment Criteria, upon the direction of the Collateral Manager by notice to the Trustee and the Collateral Administrator, any Eligible Investment representing Principal Proceeds received upon the sale or other disposition or from scheduled or unscheduled principal payments of a Collateral Obligation shall be deemed to have the characteristics of such Collateral Obligation until reinvested in an additional Collateral Obligation. Such calculations shall be based upon the principal amount of such Collateral Obligation, except in the case of Defaulted Obligations and Credit Risk Obligations, in which case the calculations will be based upon the Principal Proceeds received on the disposition or sale of such Defaulted Obligation or Credit Risk Obligation.

If a Collateral Obligation included in the Assets would be deemed a Current Pay Obligation but for the applicable percentage limitation in the proviso to clause (x) of the proviso to the definition of "Defaulted Obligation", then the Current Pay Obligations with the lowest Market Value (assuming that such Market Value is expressed as a percentage of the Principal Balance of such Current Pay Obligation as of the date of determination) will be deemed Defaulted Obligations. Each such Defaulted Obligation will be treated as a Defaulted Obligation for all purposes until such time as the Aggregate Principal Balance of Current Pay Obligations would not exceed, on a pro forma basis including such Defaulted Obligation, the applicable percentage of the Collateral Principal Amount.

References under "Summary of Terms—Priority of Payments" to calculations made on a "pro forma basis" shall mean such calculations after giving effect to all payments, in accordance with the Priority of Payments described herein, that precede (in priority of payment) or include the clause in which such calculation is made.

For purposes of calculating compliance with the Investment Criteria, at the election of the Collateral Manager in its sole discretion, any proposed investment (whether a single Collateral Obligation or a group of Collateral Obligations) identified by the Collateral Manager as such at the time when compliance with the Investment 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 ten Business Days following the date of determination of such compliance (such period, the "**Trading Plan Period**"); *provided* that (u) the Collateral Manager reasonably believes at the commencement of the relevant Trading Plan Period that the Issuer will be able to enter into binding commitment(s) for all sales and reinvestments proposed in such Trading Plan, (v) no Trading Plan may result in the purchase of Collateral Obligations having an Aggregate Principal Balance that exceeds 5.0% of the Collateral Principal Amount as of the first day of the Trading Plan Period, (w) no Trading Plan may result in the purchase of any Collateral Obligation with a maturity date of less than twelve months, (x) no Trading Plan Period may include a Determination Date, (y) no more than one Trading Plan may be in effect at any time during a Trading Plan Period and (z) if the Investment Criteria are satisfied prospectively after giving effect to a Trading Plan but are not satisfied upon the expiry of the related Trading Plan Period, notice thereof will be provided to Fitch and Moody's. The Collateral Manager will provide Fitch, Moody's and the Collateral Administrator with notice of the composition of the Collateral Obligations (and their attributes) in any Trading Plan.

All monetary calculations under the Indenture will be in U.S. dollars.

If withholding tax is imposed under FATCA or on (x) any amendment, waiver, consent or extension fees or (y) commitment fees or other similar fees in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations, the calculations of the Weighted Average Floating Spread and the Interest Coverage Test, as applicable, shall be made on a net basis after taking into account such withholding, unless the obligor is required to make "gross-up" payments to the Issuer that cover the full amount of any such withholding tax on an after-tax basis pursuant to the Underlying Instrument with respect thereto.

Any reference in the Indenture to an amount of the Trustee's, the Subordinated Note Issuing and Paying Agent's or the Collateral Administrator's fees calculated with respect to a period at a per annum rate shall be computed on the basis of a 360-day year of twelve 30-day months prorated for the related Interest Accrual Period and shall be based on the aggregate face amount of the Collateral Obligations and the Eligible Investments.

To the extent of any ambiguity in the interpretation of any definition or term contained in the Indenture or to the extent more than one methodology can be used to make any of the determinations or calculations set forth therein, the Collateral Administrator shall request direction from the Collateral Manager as to the interpretation and/or methodology to be used, and the Collateral Administrator shall follow such direction, and together with the Trustee, shall be entitled to conclusively rely thereon without any responsibility or liability therefor.

For purposes of calculating compliance with any tests under the Indenture (including the Target Initial Par Condition, Collateral Quality Test and Concentration Limitations), the trade date (and not the settlement date) with respect to any acquisition or disposition of a Collateral Obligation or Eligible Investment shall be used by the Collateral Administrator and the Collateral Manager to determine whether and when such acquisition or disposition has occurred.

The Coverage Tests and the Interest Diversion Test

See "Collateral Assumptions" for a description of the assumptions applicable to the determination of satisfaction of the Coverage Tests and the Interest Diversion Test.

See "Summary of Terms—Coverage Tests and Interest Diversion Test" for a description of the calculation of the Overcollateralization Ratio Test, Interest Coverage Test and Interest Diversion Test.

If a Coverage Test is not satisfied on any applicable Determination Date, the Issuer will be required to apply available amounts in the Payment Account on the related Payment Date to the repayment of principal of the Secured Notes in accordance with the Priority of Payments to the extent necessary to achieve compliance with such Coverage Test.

Measurement of the degree of compliance with the Coverage Tests will be required as of each Measurement Date occurring (i) in the case of the Overcollateralization Ratio Test, on or after the Effective Date and (ii) in the case of the Interest Coverage Test, on or after the Determination Date immediately preceding the second Payment Date. Measurement of the degree of compliance with the Interest Diversion Test will be required as of each Measurement Date during the Reinvestment Period on or after the Effective Date.

If the Interest Diversion Test is not satisfied on any Determination Date during the Reinvestment Period, the Issuer will be required to apply Interest Proceeds remaining on the related Payment Date after the application thereof to the payment of amounts set forth in clauses (A) through (R) under "Summary of Terms—Priority of Payments—Application of Interest Proceeds" to make a deposit into the Collection Account as Principal Proceeds for the purchase of additional Collateral Obligations in an amount equal to the Required Interest Diversion Amount.

Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria

Subject to the other requirements set forth in the Indenture and unless (i) an acceleration of the maturity of the Notes has occurred and is continuing or (ii) an Event of Default has occurred and is continuing (in the case of sales pursuant to clauses (e), (f), (g) and (j) below), the Collateral Manager on behalf of the Issuer may, but will not be required to (except as otherwise specified below), direct the Trustee to sell and the Trustee shall sell on behalf of

the Issuer in the manner directed by the Collateral Manager any Collateral Obligation or Equity Security (which shall include the direct sale or liquidation of the equity interests of any Blocker Subsidiary or assets held by a Blocker Subsidiary) if, as certified by the Collateral Manager, such sale meets any one of the following requirements (subject in each case to any applicable requirement of disposition under clause (h) or (i) below), for purposes of which the Sale Proceeds of a Collateral Obligation sold by the Issuer shall include any Principal Financed Accrued Interest received in respect of such sale:

(a) The Collateral Manager may direct the Trustee to sell any Credit Risk Obligation at any time without restriction;

(b) The Collateral Manager may direct the Trustee to sell any Credit Improved Obligation either:

(i) at any time if (A) the Sale Proceeds from such sale are at least equal to the Principal Balance of such Credit Improved Obligation immediately prior to such sale or (B) after giving effect to such sale, the Aggregate Principal Balance of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the anticipated net proceeds of such sale) *plus*, without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds, will be greater than the Reinvestment Target Par Balance; or

(ii) solely during the Reinvestment Period, if the Collateral Manager reasonably believes prior to such sale that either (A) after giving effect to such sale and subsequent reinvestment, the Aggregate Principal Balance of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligation) *plus*, without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds, will be at least equal to the Reinvestment Target Par Balance, or (B) it will be able to enter into one or more binding commitments to reinvest all or a portion of the proceeds of such sale, in compliance with the Investment Criteria, in one or more additional Collateral Obligations with an Aggregate Principal Balance at least equal to the Principal Balance of such Credit Improved Obligation within 20 Business Days after such sale;

(c) The Collateral Manager may direct the Trustee to sell any Defaulted Obligation at any time without restriction. With respect to each Defaulted Obligation that has remained a Defaulted Obligation for a continuous period of three years after becoming a Defaulted Obligation and has not been sold or terminated during such three year period, the Market Value and Principal Balance of such Defaulted Obligation shall be deemed to be zero;

(d) The Collateral Manager may direct the Trustee to sell any Equity Security at any time without restriction, and shall (unless such Equity Security is required to be sold as set forth in clauses (h) or (i) below or has been transferred to a Blocker Subsidiary as set forth in clause (j) below) use its commercially reasonable efforts to effect the sale of any Equity Security (other than an interest in a Blocker Subsidiary), regardless of price:

(i) within 45 days after receipt if such Equity Security constitutes Margin Stock 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; and

(ii) within three years after receipt or after such security becoming an Equity Security, if sub-clause (i) above does not apply, 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;

(e) After the Issuer has notified the Trustee of an Optional Redemption of the Notes in accordance with the Indenture (unless such Optional Redemption is financed solely with Refinancing Proceeds), the Collateral Manager shall direct the Trustee to sell (which sale may be through participation or other arrangement) all

or a portion of the Collateral Obligations if the requirements set forth in the Indenture are satisfied and the notice of such Optional Redemption is neither withdrawn nor deemed to have been withdrawn and the obligation to affect such Optional Redemption has not been terminated. If any such sale is made through participations, the Issuer shall use reasonable efforts to cause such participations to be converted to assignments within six months after the sale;

(f) After a Majority of the Subordinated Notes has directed (by a written direction delivered to the Trustee) a Tax Redemption, the Issuer (or the Collateral Manager on its behalf) may at any time effect the sale (which sale may be through participation or other arrangement) of all or a portion of the Collateral Obligations if the requirements set forth in the Indenture are satisfied and the notice of such Tax Redemption is not withdrawn or deemed to have been withdrawn. If any such sale is made through participations, the Issuer shall use reasonable efforts to cause such participations to be converted to assignments within six months after the sale;

(g) During the Reinvestment Period, the Collateral Manager may direct the Trustee to sell (any such sale, a "**Discretionary Sale**") any Collateral Obligation at any time other than during a Restricted Trading Period if:

(i) after giving effect to such Discretionary Sale, the Aggregate Principal Balance of all Collateral Obligations sold as described in this sub-paragraph (g) during the preceding period of 12 calendar months (or, for the first 12 calendar months after the Closing Date, during the period commencing on the Closing Date) is not greater than 25.0% of the Collateral Principal Amount as of the first day of such 12 calendar month period (or as of the Closing Date, as the case may be); and

(ii) either:

(A) the Collateral Manager reasonably believes prior to such Discretionary Sale that it will be able to enter into one or more binding commitments to reinvest all or a portion of the proceeds of such Discretionary Sale, in compliance with the Investment Criteria, in one or more additional Collateral Obligations with an Aggregate Principal Balance at least equal to the Principal Balance of such sold Collateral Obligation within 20 Business Days after such Discretionary Sale; or

(B) after giving effect to such Discretionary Sale, the Aggregate Principal Balance of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the anticipated net proceeds of such Discretionary Sale) *plus*, without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds, will be not less than the Reinvestment Target Par Balance;

No later than three Business Days before the end of the Reinvestment Period, the Collateral Manager will send to the Trustee and the Collateral Administrator a schedule of purchases of Collateral Obligations for which the settlement date has not yet occurred and will certify to the Trustee that sufficient Principal Proceeds will be available to effect the settlement of such Collateral Obligations. For this purpose, Principal Proceeds in the Collection Account, Sale Proceeds from sale of Collateral Obligations for which a commitment to sell has been entered prior to the end of the Reinvestment Period, and scheduled (if received during the Reinvestment Period) or unscheduled principal payments with respect to which the obligor has already delivered an irrevocable notice of repayment or which are required by the terms of the applicable Underlying Instruments will be considered available to effect such settlement.

(h) The Collateral Manager on behalf of the Issuer shall use its commercially reasonable efforts to effect the sale (regardless of price) of any Collateral Obligation that no longer meets the criteria described in clauses (vii) or (xxiii) of the definition of "Collateral Obligation", within 18 months after the failure of such Collateral Obligation to meet any such criteria, unless such sale is prohibited by applicable law, in which

case such Collateral Obligation shall be sold or otherwise disposed of as soon as reasonably practicable after such sale is permitted by applicable law;

(i) The Issuer shall not:

(A) become the owner of any asset (1) that is treated as an equity interest in an entity that is treated as a partnership or other fiscally transparent entity for U.S. federal income tax purposes, unless: (x) the entity is not treated, at any time, as engaged in a trade or business within the United States for U.S. federal income tax purposes and (y) the assets of the entity consist solely of assets that the Issuer could directly acquire consistent with the Indenture, the Collateral Management Agreement, the Memorandum and Articles of Association, and any related documents, (2) the gain from the disposition of which would be subject to U.S. federal income or withholding tax under section 897 or section 1445, respectively, of the Code or (3) if the ownership or disposition of such asset could cause the Issuer to be engaged in a trade or business within the United States for U.S. federal income tax purposes; or

(B) maintain the ownership of any Collateral Obligation that is the subject of a workout, amendment, supplement, exchange or modification if the continued maintaining or ownership of such Collateral Obligation during the process of such workout, amendment, supplement, exchange or modification would cause the Issuer to violate the Investment Guidelines (each such obligation in the foregoing (A) and (B), an "**Ineligible Obligation**");

(j) The Collateral Manager may effect the transfer to a Blocker Subsidiary of (I) any Collateral Obligation or portion thereof with respect to which the Issuer will receive an Ineligible Obligation described in clause (A) of the definition of "Ineligible Obligation" prior to the receipt of such Ineligible Obligation or (II) any Collateral Obligation described in clause (B) of the definition of "Ineligible Obligation" prior to the consummation of the workout, amendment, supplement, exchange or modification at issue; *provided* that the acquisition, ownership and disposition of such Ineligible Obligation would not cause any income or gain with respect to such Ineligible Obligation to be treated as income or gain that is effectively connected with the conduct of a trade or business of the Issuer within the United States for U.S. federal income tax purposes (other than as a result of a change in law after the acquisition of such Ineligible Obligation). Upon formation of any Blocker Subsidiary, the Issuer shall have been furnished an Opinion of Counsel addressed to the Issuer and Moody's (or upon which Moody's shall be entitled to rely) stating that the creation of a Blocker Subsidiary, the transfer of assets to it from the Issuer and the sale of, or receipt of income from, a Blocker Subsidiary will not (A) cause the Issuer to be treated as engaged in a U.S. trade or business or otherwise to be subject to U.S. federal income tax on its net income, (B) cause the Secured Notes to be treated as exchanged for modified debt obligations for purposes of section 1.1001-3 of the U.S. Treasury regulations or (C) alter the characterization of the Secured Notes as debt for U.S. federal income tax purposes. The Issuer shall not be required to obtain confirmation of satisfaction of the Moody's Rating Condition in connection with the incorporation of, or transfer of any security or obligation to, any Blocker Subsidiary; *provided* that (a) prior to the incorporation of any Blocker Subsidiary, the Collateral Manager will, on behalf of the Issuer, provide written notice thereof to Moody's and, so long as any Notes rated by Fitch are outstanding, Fitch, and the Issuer (or the Collateral Manager on its behalf) shall, based on consultation with appropriate counsel, deliver an officer's certificate to Moody's and the Trustee certifying that since the Closing Date there has been no change in law that would affect the opinions expressed in such Opinion of Counsel and (b) prior to the scheduled delivery to a Blocker Subsidiary of any security or obligation, the Collateral Manager will, on behalf of the Issuer, provide written notice thereof to Moody's. The Issuer shall not be required to continue to hold in a Blocker Subsidiary (and may instead hold directly) a security that ceases to be considered an Equity Security, as determined by the Collateral Manager based on written advice of nationally recognized counsel (which shall include, for these purposes each law firm identified in this Offering Circular) to the effect that the Issuer can transfer such security or obligation from the Blocker Subsidiary to the Issuer and can hold such security directly without causing the Issuer to be treated as engaged in a trade or business in the United States for U.S. federal income tax purposes. For financial accounting reporting purposes (including each monthly report prepared under the Indenture) and

the Coverage Tests, the Interest Diversion Test and the Collateral Quality Test (and, for the avoidance of doubt, not for tax purposes), the Issuer will be deemed to own an Equity Security or Collateral Obligation held by a Blocker Subsidiary rather than its interest in that Blocker Subsidiary; *provided* that any future anticipated tax liabilities of a Blocker Subsidiary related to an Equity Security or Collateral Obligation held by such Blocker Subsidiary shall be excluded from the calculation of the Weighted Average Floating Spread, the Weighted Average Coupon and the Interest Coverage Test; and

(k) The Collateral Manager may direct the Trustee to accept any tender offer, voluntary redemption, exchange offer, conversion or other similar action in the manner specified in the Indenture at any time without restriction; and

(l) After the Issuer has notified the Collateral Manager and the Trustee of a Clean-Up Call Redemption in accordance with "Description of the Notes—Clean-Up Call Redemption", the Collateral Manager may at any time effect the sale (which sale may be through participation or other arrangement) of any Collateral Obligation without regard to the limitations set forth in clauses (a) through (k) by directing the Trustee to effect such sale; *provided* that the Sale Proceeds therefrom are used for the purposes specified in "Description of the Notes—Clean-Up Call Redemption" (and applied pursuant to the Priority of Payments). If any such sale is made through participations, the Issuer shall use reasonable efforts to cause such participations to be converted to assignments within six months after the sale.

The Indenture will provide that:

(A) the Issuer shall not permit such Blocker Subsidiary to incur any indebtedness (other than the guarantee and grant of security interest in favor of the Trustee described in clause (G) below);

(B) the constitutive documents of such Blocker Subsidiary shall provide that (i) recourse with respect to the costs, expenses or other liabilities of such Blocker Subsidiary shall be solely to the assets of such Blocker Subsidiary and no creditor of such Blocker Subsidiary shall have any recourse whatsoever to the Issuer or its assets except to the extent otherwise required under applicable law, (ii) the activities and business purposes of such Blocker Subsidiary shall be limited to holding securities or obligations in accordance with clause (j) in the preceding paragraph that are otherwise required to be sold pursuant to clause (i) in the preceding paragraph and activities reasonably incidental thereto (including holding interests in other Blocker Subsidiaries), (iii) such Blocker Subsidiary will not incur any indebtedness (other than the guarantee and grant of security interest in favor of the Trustee described in clause (F) below), (iv) such Blocker Subsidiary will not create, incur, assume or permit to exist any lien (other than a lien arising by operation of law), charge or other encumbrance on any of its assets (other than a lien in favor of the Trustee), or sell, transfer, exchange or otherwise dispose of any of its assets, or assign or sell any income or revenues or rights in respect thereof (other than dispositions contemplated by "Security for the Secured Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria"), (v) such Blocker Subsidiary will be subject to the limitations on powers set forth in the organizational documents of the Issuer, (vi) if such Blocker Subsidiary is a foreign corporation for U.S. federal income tax purposes, such Blocker Subsidiary shall file a U.S. federal income tax return reporting all effectively connected income, if any, arising as a result of owning the permitted assets of such Blocker Subsidiary, (vii) after paying Taxes and expenses payable by such Blocker Subsidiary or setting aside adequate reserves for the payment of such Taxes and expenses, such Blocker Subsidiary will distribute, promptly and in a commercially reasonable fashion, 100% of the cash proceeds of the assets acquired by it (net of such Taxes, expenses and reserves), (viii) such Blocker Subsidiary will not form or own any subsidiary or any interest in any other entity other than (x) interests in another Blocker Subsidiary, (y) securities or obligations held in accordance with clause (j) in the preceding paragraph that would otherwise be required to be sold by the Issuer pursuant to clause (i) in the preceding paragraph or (z) Eligible Investments pending distribution of any proceeds of the Collateral Obligations held by it and (ix) such Blocker Subsidiary will not acquire or hold title to any real property or a controlling interest in any entity that owns real property;

(C) the constitutive documents of such Blocker Subsidiary shall provide that such Blocker Subsidiary will (i) maintain books and records separate from any other Person, (ii) maintain its accounts separate from those of any other Person, (iii) not commingle its assets with those of any other Person, (iv) conduct its own business in its

own name, (v) maintain separate financial statements (*provided* that the Issuer may consolidate such financial statements with the Issuer's financial statements), (vi) pay its own liabilities out of its own funds, (vii) observe all corporate formalities and other formalities in its by-laws and its certificate of incorporation, (viii) maintain an arm's length relationship with its Affiliates, (ix) not have any employees, (x) not guarantee or become obligated for the debts of any other Person (other than the Issuer) or hold out its credit as being available to satisfy the obligations of others (other than the Issuer), (xi) not acquire obligations or securities of the Issuer, (xii) allocate fairly and reasonably any overhead for shared office space, (xiii) use separate stationery, invoices and checks, (xiv) not pledge its assets for the benefit of any other Person (other than the Trustee) or make any loans or advance to any Person, (xv) hold itself out as a separate Person, (xvi) correct any known misunderstanding regarding its separate identity and (xvii) maintain adequate capital in light of its contemplated business operations;

(D) the constitutive documents of such Blocker Subsidiary shall provide that the business of such Blocker Subsidiary shall be managed by or under the direction of a board of at least one director and that at least one such director shall be a person who is not at the time of appointment and for the five years prior thereto has not been (1) a direct or indirect legal or beneficial owner of the Collateral Manager, such Blocker Subsidiary or any of their respective Affiliates (excluding de minimis ownership), (ii) a creditor, supplier, officer, manager, or contractor of the Collateral Manager, such Blocker Subsidiary or any of their respective Affiliates or (iii) a person who controls (whether directly, indirectly or otherwise) the Collateral Manager, such Blocker Subsidiary or any of their respective Affiliates or any creditor, supplier, officer, manager or contractor of the Collateral Manager, such Blocker Subsidiary or any of their respective Affiliates;

(E) the constitutive documents of such Blocker Subsidiary shall provide that, so long as the Blocker Subsidiary is owned directly or indirectly by the Issuer, upon the occurrence of the earliest of the date on which the Aggregate Outstanding Amount of each Class of Secured Notes is paid in full or the date of any voluntary or involuntary dissolution, liquidation or winding-up of the Issuer or the Co-Issuer, (x) the Issuer shall sell or otherwise dispose of all of its equity interests in such Blocker Subsidiary within a reasonable time or (y) such Blocker Subsidiary shall (i) sell or otherwise dispose of all of its property or, to the extent such Blocker Subsidiary is unable to sell or otherwise dispose of such property within a reasonable time, distribute such property in kind to its stockholders, (ii) make provision for the filing of a tax return and any action required in connection with winding up such Blocker Subsidiary, (iii) liquidate and (iv) distribute the proceeds of liquidation to its stockholders;

(F) to the extent payable by the Issuer, with respect to any Blocker Subsidiary, (i) any expenses related to such Blocker Subsidiary (including any taxes and governmental fees owing by such Blocker Subsidiary) will be considered Administrative Expenses pursuant to subclause (v) of clause *third* of the definition thereof and will be payable as Administrative Expenses as described under "Summary of Terms—Priority of Payments" and "Description of the Notes—Priority of Payments"; and

(G) the Issuer shall cause each Blocker Subsidiary (x) to give a guarantee in favor of the Trustee pursuant to which such Blocker Subsidiary absolutely and unconditionally guarantees, to the Trustee for the benefit of the Secured Parties, the obligations secured by the Indenture, including the payment of all amounts due on the Secured Notes in accordance with their terms (subject to limited recourse provisions equivalent (*mutatis mutandis*) to those contained in the Indenture), and (y) to enter into a security agreement between such Blocker Subsidiary and the Trustee and any ancillary agreements (including any control agreements) pursuant to which such Blocker Subsidiary grants a perfected, first-priority continuing security interest in all of its property to secure its obligations under such guarantee.

The Co-Issuers and the Trustee will agree in the Indenture, and the Collateral Manager will agree in the Collateral Management Agreement, not to institute against any Blocker Subsidiary any proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law, or a petition for its winding-up or liquidation (other than, in the case of the Issuer, a winding-up or liquidation of a Blocker Subsidiary that no longer holds any assets), until the payment in full of all Notes (and any other debt obligations of the Issuer that have been rated upon issuance by any rating agency at the request of the Issuer) and the expiration of a period equal to one year and one day or, if longer, the applicable preference period then in effect plus one day, following such payment in full.

Notwithstanding the other requirements set forth in the Indenture and described above, the Issuer shall have the right to effect the sale of any Asset or purchase of any Collateral Obligation (*provided* that, in the case of a purchase of a Collateral Obligation, such purchase must comply with the Investment Guidelines and the applicable tax requirements set forth in the Indenture) (x) that has been consented to by holders of Notes evidencing (i) with respect to purchases during the Reinvestment Period and sales during or after the Reinvestment Period, at least 75% of the Aggregate Outstanding Amount of each Class of Secured Notes and holders of 75% of the Aggregate Outstanding Amount of the Subordinated Notes and (ii) with respect to purchases after the Reinvestment Period, 100% of the Aggregate Outstanding Amount of each Class of Notes and (y) of which each Rating Agency and the Trustee has been notified.

Investment Criteria. On any date during the Reinvestment Period (and, with respect to any Eligible Post-Reinvestment Proceeds, on any date after the Reinvestment Period), the Collateral Manager on behalf of the Issuer may, subject to the other requirements in the Indenture, but will not be required to, direct the Trustee to invest Principal Proceeds, proceeds of additional notes issued in accordance with the Indenture, amounts on deposit in the Ramp-Up Account and accrued interest received with respect to any Collateral Obligation to the extent used to pay for accrued interest on additional Collateral Obligations, and the Trustee shall invest such Principal Proceeds and other amounts in accordance with such direction.

Such proceeds may be used to purchase additional Collateral Obligations subject to the requirement that each of the following conditions (the "**Investment Criteria**") is satisfied as of each date after the Effective Date, or in the case of clause (I)(i) or clause (II)(i) below, on any date the Collateral Manager commits on behalf of the Issuer to make such purchase, in each case immediately after giving effect to such purchase and all other sales or purchases previously or simultaneously committed to:

(I) During the Reinvestment Period:

(i) such obligation is a Collateral Obligation;

(ii) (A) each Coverage Test (or in the case of the Interest Coverage Tests, on or after the Determination Date occurring immediately prior to the second Payment Date) will be satisfied, or if not satisfied, such Coverage Test will be maintained or improved and (B) if each Coverage Test is not satisfied, the Principal Proceeds received in respect of any Defaulted Obligation or the proceeds of any sale of a Defaulted Obligation (as described in clause (c) of "—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" above) shall not be reinvested in additional Collateral Obligations;

(iii) in the case of additional Collateral Obligations purchased with the proceeds from the sale of a Credit Risk Obligation sold at the discretion of the Collateral Manager (as described in clause (a) of "—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" above), a Defaulted Obligation sold at the discretion of the Collateral Manager (as described in clause (c) of "—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" above) or an Equity Security sold at the discretion of the Collateral Manager (as described in clause (d) of "—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" above, after giving effect to such purchases, either (1) the Aggregate Principal Balance of all additional Collateral Obligations purchased with the proceeds from such sale will at least equal the related Sale Proceeds, (2) the Aggregate Principal Balance of the Collateral Obligations will be maintained or increased (by comparison to the Aggregate Principal Balance of the Collateral Obligations immediately prior to such sale) or (3) the Aggregate Principal Balance of the Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligation) *plus*, without duplication, all Principal Proceeds will be greater than the Reinvestment Target Par Balance;

(iv) in the case of additional Collateral Obligations purchased with the Sale Proceeds from the sale of a Credit Improved Obligation or from a Discretionary Sale of a Collateral Obligation sold at the discretion of the Collateral Manager (as described in clauses (b) and (g), respectively, of "—Sales of Collateral Obligations;

Purchase of additional Collateral Obligations and Investment Criteria" above) or Principal Proceeds received with respect to Unscheduled Principal Payments or scheduled distributions of principal, after giving effect to such purchases, either (1) the Aggregate Principal Balance of the Collateral Obligations will be maintained or increased (by comparison to the Aggregate Principal Balance of the Collateral Obligations immediately prior to; such sale or payment), or (2) the Aggregate Principal Balance of the Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligation) *plus*, without duplication, all Principal Proceeds will be greater than the Reinvestment Target Par Balance;

(v) either (A) each requirement or test, as the case may be, of the Concentration Limitations and the Collateral Quality Test will be satisfied or (B) if any such requirement or test was not satisfied immediately prior to such reinvestment, such requirement or test will be maintained or improved after giving effect to the reinvestment;

(vi) the date on which the Issuer (or the Collateral Manager on its behalf) commits to purchase such Collateral Obligation occurs during the Reinvestment Period; and

(vii) the setting aside of Principal Proceeds in the Collection Account in anticipation of such purchase would not cause the balance of the Collection Account to be reduced below zero.

During the Reinvestment Period, following the sale of any Credit Improved Obligation or any Discretionary Sale of a Collateral Obligation, the Collateral Manager shall use its reasonable efforts to purchase additional Collateral Obligations within 20 Business Days after such sale; *provided* that any such purchase must comply with the Investment Criteria.

(II) After the Reinvestment Period with respect to any Eligible Post-Reinvestment Proceeds that were received:

(i) such obligation is a Collateral Obligation;

(ii) in the case of additional Collateral Obligations purchased with the proceeds from the sale of a Credit Risk Obligation sold at the discretion of the Collateral Manager (as described in clause (a) of "—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" above), such proceeds are invested within the longer of (x) 30 days of the Issuer's receipt thereof and (y) the last day of the Collection Period in which such proceeds are received, and after giving effect to such purchases:

(A) the Minimum Floating Spread Test, the Minimum Weighted Average Coupon Test, the Minimum Weighted Average Moody's Recovery Rate Test and the Maximum Moody's Rating Factor Test will be satisfied, or if not satisfied, will be maintained or improved,

(B) the Coverage Tests will be satisfied,

(C) the Restricted Trading Period is not then in effect,

(D) each additional Collateral Obligation purchased will have the same or higher Moody's Rating as compared with such Credit Risk Obligation,

(E) the stated maturity of each additional Collateral Obligation purchased is equal to or shorter than the stated maturity, in each case as compared with such Credit Risk Obligation,

(F) the Aggregate Principal Balance of all additional Collateral Obligations purchased with the proceeds from the sale of such Credit Risk Obligations will at least equal the related Sale Proceeds,

(G) the Concentration Limitations will be satisfied immediately prior to and immediately after such reinvestment, or if not satisfied immediately prior to such reinvestment, will be maintained or improved immediately after giving effect to such reinvestment, and

(H) the Weighted Average Life Test will be satisfied; and

(iii) in the case of additional Collateral Obligations purchased with the Principal Proceeds received with respect to Unscheduled Principal Payments, such proceeds are invested within the longer of (x) 30 days of the Issuer's receipt thereof and (y) the last day of the Collection Period in which such proceeds are received, and after giving effect to such purchases:

(A) the Minimum Floating Spread Test, the Minimum Weighted Average Coupon Test, the Minimum Weighted Average Moody's Recovery Rate Test and the Maximum Moody's Rating Factor Test will be satisfied, or if not satisfied, will be maintained or improved,

(B) the Coverage Tests will be satisfied,

(C) the Restricted Trading Period is not then in effect,

(D) each additional Collateral Obligation purchased will have the same or higher Moody's Rating as compared with the Collateral Obligation for which such Unscheduled Principal Payments were received,

(E) the stated maturity of each additional Collateral Obligation purchased is equal to or shorter than the stated maturity, in each case as compared with the Collateral Obligation for which such Unscheduled Principal Payments were received,

(F) the Aggregate Principal Balance of the Collateral Obligations and any Principal Proceeds reinvested will be maintained or increased (by comparison to the Aggregate Principal Balance of the Collateral Obligations and the Principal Proceeds not reinvested immediately prior to such payment),

(G) the Concentration Limitations will be satisfied immediately prior to and immediately after such reinvestment, or if not satisfied immediately prior to such reinvestment, will be maintained or improved immediately after giving effect to such reinvestment, and

(H) the Weighted Average Life Test will be satisfied.

Except as described in the preceding clause (II), after the Reinvestment Period, the Collateral Manager shall not direct the Trustee to invest any amounts on behalf of the Issuer unless (x) consent thereto has been obtained from holders of Notes evidencing 100% of the Aggregate Outstanding Amount of each Class of Notes and (y) each Rating Agency and the Trustee has been notified of such investment; *provided* that, in accordance with the Indenture, cash on deposit in any Account (other than the Payment Account) may be invested in Eligible Investments at any time.

At any time, the Issuer (or the Collateral Manager on the Issuer's behalf) may vote in favor of a Maturity Amendment only if, as determined by the Collateral Manager, (i) the Weighted Average Life Test will be satisfied after giving effect to such Maturity Amendment or if the Weighted Average Life Test was not satisfied immediately prior to giving effect to such Maturity Amendment, the level of compliance with the Weighted Average Life Test will be maintained or improved after giving effect to such Maturity Amendment, in either case after giving effect to any Trading Plan in effect during the applicable Trading Plan Period, (ii) after giving effect to such Maturity Amendment, the stated maturity of the Collateral Obligation that is the subject of such Maturity Amendment is not later than the earlier of the Stated Maturity of the Notes, and, if applicable, the earliest maturity of any obligation issued in connection with a Refinancing, (iii) if such Maturity Amendment would become effective during the Reinvestment Period, after giving effect to such Maturity Amendment, the related Collateral Obligation would be

eligible for purchase during the Reinvestment Period in accordance with the Investment Criteria set forth above (unless such Investment Criteria, as a practical matter, would not be applicable to an amendment or modification), and (iv) if such Maturity Amendment would become effective after the end of the Reinvestment Period, after giving effect to such Maturity Amendment, the related Collateral Obligation would be eligible for purchase after the end of the Reinvestment Period in accordance with the provisions set forth above under paragraph (II) above (but without taking into account clause (ii)(E) or (iii)(E) thereof or any other clause that, as a practical matter, would not be applicable to such amendment or modification); *provided* that clause (i) shall not be applicable to Collateral Obligations identified by the Collateral Manager representing, in the aggregate and on a cumulative basis, up to 15% of the Target Initial Par Amount that are subject to a Maturity Amendment which, in the Collateral Manager's judgment exercised in accordance with the Collateral Management Agreement, is necessary (x) to prevent the related Collateral Obligation from becoming a Defaulted Obligation or (y) due to the materially adverse financial condition of the obligor, to minimize material losses on the related Collateral Obligation. For the avoidance of doubt, for the purposes of the foregoing proviso, the Weighted Average Life Test will not be measured for purposes of determining compliance with clauses (iii) and (iv) above.

The Collection Account and Payment Account

All distributions on the Collateral Obligations and any proceeds received from the disposition of any Collateral Obligations will be remitted to one of two segregated accounts, one of which will be designated the "**Interest Collection Subaccount**" and one of which will be designated the "**Principal Collection Subaccount**, each held in the name of the Trustee for the benefit of the Secured Parties and together comprising the "**Collection Account**". Such distributions and proceeds of distributions will be available, together with reinvestment earnings thereon, for application to the payment of the amounts set forth under "Summary of Terms—Priority of Payments" and for the acquisition of additional Collateral Obligations under the circumstances and pursuant to the requirements described herein and in the Indenture. All Designated Principal Proceeds and all Interest Proceeds received by the Trustee after the Closing Date or transferred to the Collection Account from the Expense Reserve Account, Interest Reserve Account, the Principal Collection Subaccount (in the case of Designated Principal Proceeds) or Payment Account will be deposited in the Interest Collection Subaccount. All other amounts received by the Trustee or transferred from the Expense Reserve Account, Interest Reserve Account or Revolver Funding Account and remitted to the Collection Account will be deposited in the Principal Collection Subaccount, including (i) any funds designated as Principal Proceeds by the Collateral Manager in accordance with the Indenture and (ii) all other Principal Proceeds (unless simultaneously reinvested in additional Collateral Obligations in accordance with the provisions of the Indenture described under "Security for the Secured Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" or in Eligible Investments). The Issuer may, but under no circumstances shall be required to, deposit from time to time into the Collection Account, in addition to any amount required under the Indenture to be deposited therein, such monies received from external sources for the benefit of the Secured Parties (other than payments on or in respect of the Collateral Obligations, Eligible Investments or other existing Assets) as the Issuer deems, in its sole discretion, to be advisable and to designate them as Interest Proceeds or Principal Proceeds. The Collection Account will be established at U.S. Bank National Association.

The Collateral Manager on behalf of the Issuer may direct the Trustee to pay from amounts on deposit in the Collection Account on any Business Day during any Interest Accrual Period, (i) funds from the Interest Collection Subaccount representing Interest Proceeds (or if the Target Initial Par Condition is satisfied both before and after giving effect to the applicable withdrawal, withdraw funds from either or both the Principal Collection Subaccount representing Principal Proceeds and/or the Interest Collection Subaccount representing Interest Proceeds) to exercise a warrant or right to acquire securities held in the Assets in accordance with the requirements of "Security for the Secured Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" and (ii) from Interest Proceeds only, any Administrative Expenses (such payments to be counted against the Administrative Expense Cap for the applicable period and to be subject to the order of priority as stated in the definition of "Administrative Expenses"); *provided* that the aggregate Administrative Expenses paid as described in this paragraph during any Collection Period shall not exceed the Administrative Expense Cap for the related Payment Date. The Collateral Manager on behalf of the Issuer may direct the Trustee to transfer from amounts on deposit in the Interest Collection Subaccount to the Principal Collection Subaccount, amounts necessary for application as described under "Use of Proceeds—Effective Date". In addition, the Collateral Manager on behalf

of the Issuer may direct the Trustee to deposit from the Principal Collection Subaccount into the Revolver Funding Account amounts that are required to meet funding requirements with respect to Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations.

Amounts received in the Collection Account during a Collection Period will be invested in Eligible Investments with stated maturities not later than the earlier of (A) the date that is 60 days after the date of delivery thereof and (B) the Business Day immediately preceding the Payment Date immediately following the date of delivery thereof. All proceeds from the Eligible Investments will be retained in the Collection Account unless used to purchase additional Collateral Obligations in accordance with the Investment Criteria, or used as otherwise permitted under the Indenture. See "—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria" and "Summary of Terms—Priority of Payments".

On the Business Day immediately preceding each Payment Date, the Trustee will deposit into a single, segregated non-interest bearing trust account held in the name of the Trustee for the benefit of the Secured Parties (the "**Payment Account**") all funds in the Collection Account (other than amounts that the Issuer is entitled to reinvest in accordance with the Investment Criteria described herein, which amounts may be retained in the Collection Account for subsequent reinvestment) required for payments to holders of the Secured Notes and distributions on the Subordinated Notes and payments of fees and expenses in accordance with the priorities described under "Summary of Terms—Priority of Payments". The Co-Issuers shall not have any legal, equitable or beneficial interest in the Payment Account other than in accordance with the Indenture and the Priority of Payments. The Payment Account will be established at U.S. Bank National Association. Amounts in the Payment Account shall remain uninvested.

The Ramp-Up Account

The net proceeds of the issuance of the Notes remaining after payment of the Warehouse Termination Amount and fees and expenses, including without limitation, the making of any deposits to the Interest Reserve Account, the Expense Reserve Account and the Revolver Funding Account, will be deposited on the Closing Date into a single, segregated non-interest bearing trust account held in the name of the Trustee for the benefit of the Secured Parties (the "**Ramp-Up Account**"). Of the proceeds of the issuance of the Notes which are not applied to pay for the purchase of Collateral Obligations purchased by the Issuer on or before the Closing Date (including, without limitation, pursuant to the Closing Merger) or to terminate any participation interests with respect to any such Collateral Obligations or to pay other applicable fees and expenses, approximately 46% of the net proceeds of the issuance of the Notes (as more fully described in "Use of Proceeds—General") will be deposited in the Ramp-Up Account on the Closing Date. On behalf of the Issuer, the Collateral Manager will direct the Trustee to, from time to time prior to the Effective Date, purchase additional Collateral Obligations and invest in Eligible Investments any amounts not used to purchase such additional Collateral Obligations. At the discretion of the Collateral Manager, after the Effective Date and prior to the second Payment Date, an amount up to 0.5% of the Target Initial Par Amount in Designated Principal Proceeds may be designated as Interest Proceeds on or prior to the second Payment Date, withdrawn from the Ramp-Up Account or the Principal Collection Subaccount, as applicable, and deposited into the Interest Collection Subaccount (excluding any proceeds that will be used to settle binding commitments entered into prior to that date) if sufficient proceeds have been set aside to satisfy the Issuer's binding commitments to acquire Collateral Obligations. Notwithstanding the foregoing, the Collateral Manager shall not designate Designated Principal Proceeds in an amount that would cause any of the Overcollateralization Ratio Test for each Class of Secured Notes, the Collateral Quality Test, the Target Initial Par Condition or the Concentration Limitations to not be satisfied immediately after such designation. On the first Business Day after a trust officer of the Trustee has received written notice from the Collateral Manager that Moody's has confirmed its initial rating of the Secured Notes as described in "Use of Proceeds—Effective Date" (or the Issuer has provided a Passing Report to Moody's), or upon the occurrence of an Event of Default, the Trustee will deposit any remaining amounts in the Ramp-Up Account (excluding any proceeds that will be used to settle binding commitments entered into prior to that date) into the Principal Collection Subaccount as Principal Proceeds. Any income earned on amounts deposited in the Ramp-Up Account will be deposited in the Interest Collection Subaccount as Interest Proceeds. The Ramp-Up Account will be established at U.S. Bank National Association.

The Custodial Account

The Trustee will, on or prior to the Closing Date, establish a single, segregated non-interest bearing trust account in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "**Custodial Account**". All Collateral Obligations shall be credited to the Custodial Account. The only permitted withdrawals from the Custodial Account shall be in accordance with the provisions of the Indenture. The Co-Issuers shall not have any legal, equitable or beneficial interest in the Custodial Account other than in accordance with the Indenture and the Priority of Payments. The Custodial Account will be established at U.S. Bank National Association.

The Revolver Funding Account

Upon the purchase of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, funds in an amount equal to the undrawn portion of such obligation shall be withdrawn first from the Ramp-Up Account and, if necessary, from the Principal Collection Subaccount and deposited in a single, segregated non-interest bearing trust account established in the name of the Trustee for the benefit of the Secured Parties (the "**Revolver Funding Account**"); *provided* that, if such Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation is a Participation Interest with respect to which the Selling Institution requires funds to be deposited with the Selling Institution or its custodian in an amount equal to any portion of the undrawn amount of such obligation as collateral for the funding obligations under such obligation (such funds, the "**Selling Institution Collateral**"), the Issuer shall deposit the Selling Institution Collateral with such Selling Institution or custodian rather than in the Revolver Funding Account, subject to the following sentence. Any such deposit of Selling Institution Collateral shall satisfy the following requirement: either (1) the aggregate amount of Selling Institution Collateral deposited with such Selling Institution or its custodian (other than an Eligible Custodian) under all Participation Interests shall not have an Aggregate Principal Balance in excess of 5% of the Collateral Principal Amount; or (2) such Selling Institution Collateral shall be deposited with an Eligible Custodian.

U.S.$0.00 will be deposited in the Revolver Funding Account on the Closing Date. Upon initial purchase of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, funds deposited in the Revolver Funding Account in respect of such Collateral Obligation and Selling Institution Collateral deposited with the Selling Institution in respect of such Collateral Obligation will be treated as part of the purchase price therefor. Amounts in the Revolver Funding Account will be invested in overnight funds that are Eligible Investments and earnings from all such investments will be deposited in the Interest Collection Subaccount as Interest Proceeds. The Revolver Funding Account will be established at U.S. Bank National Association.

Funds will be deposited in the Revolver Funding Account upon the purchase of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, and upon the receipt by the Issuer of any Principal Proceeds with respect to a Revolving Collateral Obligation as directed by the Collateral Manager, such that the amount of funds on deposit in the Revolver Funding Account shall be equal to or greater than the aggregate amount of unfunded funding obligations (disregarding the portion, if any, of any such unfunded funding obligations that is collateralized by Selling Institution Collateral) under all such Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations then included in the Assets.

Any funds in the Revolver Funding Account (other than earnings from Eligible Investments therein) will be available solely to cover any drawdowns on the Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations; *provided* that any excess of (A) the amounts on deposit in the Revolver Funding Account over (B) the sum of the unfunded funding obligations (disregarding the portion, if any, of any such unfunded funding obligations that is collateralized by Selling Institution Collateral) under all Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations that are included in the Assets (which excess may occur for any reason, including upon (i) the sale or maturity of a Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, (ii) the occurrence of an event of default with respect to any such Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation and the termination of any commitment to fund obligations thereunder or (iii) any other event or circumstance which results in the irrevocable reduction of the undrawn commitments under such Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation) may be transferred by the Trustee (at the written direction of the Collateral Manager on behalf of the Issuer) from time to time as Principal Proceeds to the Principal Collection Subaccount.

The Expense Reserve Account

The Trustee will, prior to the Closing Date, establish a single, segregated non-interest bearing trust account held in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "**Expense Reserve Account**". Approximately U.S.$1,404,920.54 will be deposited in the Expense Reserve Account as Interest Proceeds on the Closing Date for the payment of certain expenses of the Issuer incurred in connection with the issuance of the Notes. Following the Closing Date (i) from the proceeds of any additional issuance described in "Description of the Notes—The Indenture—Additional Issuance", such amounts as are determined (at the date of issuance) to be necessary to account for expenses arising in connection with such additional issuance and (ii) any amounts from time to time required to be deposited in the Expense Reserve Account pursuant to clause (A) of "Summary of Terms—Priority of Payments—Application of Interest Proceeds" shall be added to the Expense Reserve Account. On any Business Day from and including the Closing Date, the Trustee will apply funds from the Expense Reserve Account, as directed by the Collateral Manager, (A) to pay expenses of the Co-Issuers incurred in connection with the establishment of the Co-Issuers, the structuring and consummation of the Offering and the issuance of the Notes and any additional issuance and (B) from time to time to pay accrued and unpaid Administrative Expenses of the Co-Issuers (other than fees and expenses of the Trustee) subject to any limitation imposed thereon pursuant to the operation of the Administrative Expense Cap with respect to the period since the immediately preceding Payment Date (or in the case of the first Payment Date, the period since the Closing Date) up to the date of the relevant payment; *provided* that the Trustee may decline to make any such payment on a day other than a Payment Date if the Trustee determines that doing so is necessary to ensure that the order of payments set forth in the definition of "Administrative Expenses" is maintained. All funds on deposit in the Expense Reserve Account will be invested in Eligible Investments at the direction of the Collateral Manager. Any income earned on amounts deposited in the Expense Reserve Account will be deposited in the Interest Collection Subaccount as Interest Proceeds as it is received. All amounts remaining on deposit in the Expense Reserve Account at the time when substantially all of the assets of the Co-Issuers have been sold or otherwise disposed of will be deposited by the Trustee into the Collection Account for application as Interest Proceeds on the immediately succeeding Payment Date (the "**Wind-down Date**"). The Expense Reserve Account will be established at U.S. Bank National Association.

The Interest Reserve Account

The Trustee will, prior to the Closing Date, establish a single, segregated non-interest bearing trust account held in the name of the Trustee for the benefit of the Secured Parties, which shall be designated as the "**Interest Reserve Account**", which shall be maintained with the Custodian in accordance with the Securities Account Control Agreement. Approximately U.S.$1,000,000 will be deposited in the Interest Reserve Account from the proceeds of the issuance of the Notes on the Closing Date. On or before the Determination Date at the end of the first Collection Period, at the direction of the Collateral Manager, the Issuer may direct that any amounts credited to the Interest Reserve Account be transferred to the Collection Account and included as Interest Proceeds or Principal Proceeds for such Collection Period. On the first Payment Date, all amounts remaining on deposit in the Interest Reserve Account will be transferred to the Payment Account and applied as Interest Proceeds or Principal Proceeds (as specified by the Collateral Manager) in accordance with the Priority of Payments. Promptly following the first Payment Date, the Trustee will close the Interest Reserve Account. All funds on deposit in the Interest Reserve Account will be invested in Eligible Investments at the direction of the Collateral Manager. Any income earned on amounts deposited in the Interest Reserve Account will be deposited in the Interest Collection Subaccount as Interest Proceeds as it is received. The Interest Reserve Account will be established at U.S. Bank National Association.

Account Requirements

Each account established under the Indenture shall be established and maintained (a) with a federal or state-chartered depository institution with (1) a short-term credit rating of at least "P-1" by Moody's (or a long-term credit rating of at least "A1" by Moody's if such institution has no short-term credit rating) and if such institution's short-term credit rating falls below "P-1" by Moody's (or its long-term credit rating falls below "A1" by Moody's if such institution has no short-term credit rating), the assets held in such account shall be moved within 30 calendar days to another institution that has a short-term credit rating of at least "P-1" by Moody's (or a long-term credit rating of at

least “A1” by Moody’s if such institution has no short-term credit rating) and (2) so long as any Notes rated by Fitch remain outstanding, a short-term credit rating of at least “F1” by Fitch and a long-term credit rating of at least “A” by Fitch (or at least “A” by Fitch if such institution has no short-term credit rating) and if such institution’s long-term credit rating falls below “A” by Fitch or its short-term credit rating falls below “F1” by Fitch (or its long-term credit rating falls below “A” by Fitch if such institution has no short-term credit rating), the assets held in such account shall be moved within 30 calendar days to another institution that has a long-term credit rating of at least “A” by Fitch and a short-term credit rating of at least “F1” by Fitch (or a long-term credit rating of at least “A” by Fitch if such institution has no short-term credit rating) or (b) in segregated trust accounts with the corporate trust department of a federal or state-chartered depository institution subject to regulations regarding fiduciary funds on deposit similar to Title 12 of the Code of Federal Regulation Section 9.10(b) with a long-term credit rating of at least “Baa3” (or “A3” in the case of accounts in which cash is credited) by Moody’s and if such institution’s long-term credit rating falls below “Baa3” or “A3”, as applicable, by Moody’s, the assets held in such account shall be moved within 30 calendar days to another institution that has a long-term credit rating of at least “Baa3” or “A3”, as applicable, by Moody’s. Such institution shall have a combined capital and surplus of at least U.S.$200,000,000. All cash deposited in the accounts shall be invested only in Eligible Investments or Collateral Obligations in accordance with the terms of the Indenture.

USE OF PROCEEDS

General

The net proceeds from the issuance of the Notes on the Closing Date, after payment of certain fees, organizational and other fees and expenses and other amounts payable to the Initial Purchaser as described herein (including the funding of the Expense Reserve Account), are expected to be approximately U.S.$497,500,000 and will be used by the Issuer to purchase Collateral Obligations meeting the diversification, rating and other requirements described herein. On the Closing Date, the Collateral Manager currently expects to use approximately 54% of such net proceeds to (x) pay the Warehouse Termination Amount in order to terminate certain financing arrangements made by the Issuer for the warehousing of the Warehoused Assets prior to the Closing Date with the Warehouse Provider, (y) redeem the equity interests issued to the Collateral Manager and/or Affiliates of the Collateral Manager by the Issuer in connection with the acquisition of the Manager Financed Assets prior to the Closing Date by Issuer and (z) pay other amounts due under the Warehouse Agreement, including certain fees, costs and other compensatory amounts payable or reimbursable by the Issuer to the Warehouse Provider and/or Affiliates of the Collateral Manager for their services, and thereafter the Collateral Manager expects to apply the remaining net proceeds to purchase (or enter into agreements to purchase) additional Collateral Obligations on or prior to the Effective Date. See "Risk Factors—Relating to the Collateral Obligations—Acquisition of initial Collateral Obligations" and "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving Jefferies and its Affiliates."

Approximately 46% of such net proceeds will be deposited into the Ramp-Up Account on the Closing Date for the purchase of additional Collateral Obligations prior to the Effective Date and for deposit into the Collection Account on the Effective Date as described herein, approximately U.S.$1,404,920.54 will be deposited into the Expense Reserve Account, U.S.$1,000,000.00 will be deposited into the Interest Reserve Account and U.S.$0.00 will be deposited into the Revolver Funding Account, in each case, on the Closing Date for use as described herein.

Effective Date

The Issuer, or the Collateral Manager on its behalf, will use commercially reasonable efforts to purchase (or enter into commitments to purchase), on or before September 5, 2015, Collateral Obligations (a) such that the Target Initial Par Condition is satisfied and (b) that satisfy, as of the Effective Date, the Concentration Limitations, the Collateral Quality Test and each Overcollateralization Ratio Test.

(a) Unless clause (b) below is applicable, within ten Business Days after the Effective Date, the Issuer will provide, or cause the Collateral Manager to provide the following documents:

(i) to each Rating Agency, a report identifying the Collateral Obligations;

(ii) to each Rating Agency and the Trustee, (x) a report (which the Issuer shall cause the Collateral Administrator to prepare on its behalf in accordance with, and subject to the terms of, the Collateral Administration Agreement) stating the following information (the "**Effective Date Report**"): (A) the issuer, principal balance, coupon/spread, stated maturity, Moody's Default Probability Rating, Moody's industry classification group and country of Domicile with respect to each Collateral Obligation as of the Effective Date and substantially similar information provided by the Issuer with respect to every other asset included in the Assets (to the extent such asset is a security), by reference to such sources as shall be specified therein and (B) as of the Effective Date, the level of compliance with, and satisfaction or non-satisfaction of (1) the Target Initial Par Condition, (2) each Overcollateralization Ratio Test, (3) the Concentration Limitations and (4) the Collateral Quality Test (the items in this clause (B), collectively, the "**Moody's Specified Tested Items**") and (y) an officer's certificate of the Collateral Manager (such certificate, the "**Effective Date Collateral Manager Certificate**")

certifying that the Collateral Manager has received an Accountants' Certificate that compares the information set forth in clause (a)(ii)(x)(A) above (the "**Effective Date Accountants' Comparison Report**") and recalculates the information set forth in clause (a)(ii)(x)(B) above (the "**Effective Date Accountants' Recalculation Report**" and together with the Effective Date Accountants' Comparison Report, collectively, the "**Effective Date Accountants' Certificate**");

(iii) to the Trustee, the Effective Date Accountants' Certificate; and

(iv) to the Trustee an Opinion of Counsel confirming the matters set forth in the Opinion of Counsel regarding perfection of security interests furnished on the Closing Date with respect to the Assets granted to the Trustee after the Closing Date.

(b) If (1) the Issuer or the Collateral Manager, as the case may be, has not provided to Moody's both (A) an Effective Date Report that shows that each of the Moody's Specified Tested Items was satisfied and (B) the Effective Date Collateral Manager Certificate (such an Effective Date Collateral Manager Certificate together with the Effective Date Report referred to in sub-clause (A) collectively, a "**Passing Report**") prior to the date ten Business Days after the Effective Date or (2) any of the Moody's Specified Tested Items are not satisfied ((1) or (2) constituting a "**Moody's Ramp-Up Failure**') then (A) the Issuer (or the Collateral Manager on the Issuer's behalf) shall either (i) provide a Passing Report to Moody's within 25 Business Days following the Effective Date or (ii) request Moody's to confirm in writing (which may take the form of a press release or other written communication), within 25 Business Days following the Effective Date, that Moody's will not reduce or withdraw its initial rating of the Secured Notes rated by Moody's and (B) if, by the 25th Business Day following Effective Date, the Issuer (or the Collateral Manager on the Issuer's behalf) has not provided a Passing Report to Moody's or obtained the confirmation from Moody's, each as described in the preceding clause (A) of this paragraph, the Issuer (or the Collateral Manager on the Issuer's behalf) will instruct the Trustee to transfer amounts from the Interest Collection Subaccount to the Principal Collection Subaccount and may, prior to the first Payment Date, purchase additional Collateral Obligations in an amount sufficient to enable the Issuer (or the Collateral Manager on the Issuer's behalf) to (i) provide a Passing Report to Moody's or (ii) obtain from Moody's written confirmation (which may take the form of a press release or other written communication) of its initial rating of the Secured Notes rated by Moody's; *provided* that, in lieu of complying with the preceding clauses (A) and (B), the Issuer (or the Collateral Manager on the Issuer's behalf) may take such action, including but not limited to, a Ratings Special Redemption and/or transferring amounts from the Interest Collection Subaccount to the Principal Collection Subaccount as Principal Proceeds (for use in a Ratings Special Redemption), sufficient to enable the Issuer (or the Collateral Manager on the Issuer's behalf) to (1) provide to Moody's a Passing Report or (2) obtain from Moody's written confirmation (which may take the form of a press release or other written communication) of its initial rating of the Secured Notes rated by Moody's; *provided* further that in the case of this clause (b), amounts may not be transferred from the Interest Collection Subaccount to the Principal Collection Subaccount if, after giving effect to such transfer, (I) the amounts available pursuant to the Priority of Payments on the next succeeding Payment Date would be insufficient to pay the full amount of the accrued and unpaid interest on any Class of Secured Notes on such next succeeding Payment Date or (II) such transfer would result in a deferral of interest with respect to the Class C Notes, Class D Notes, or Class E Notes on the next succeeding Payment Date.

THE COLLATERAL MANAGER

The information appearing in this section has been prepared by the Collateral Manager and has not been independently verified by the Initial Purchaser or the Co-Issuers. The Initial Purchaser and the Co-Issuers assume no responsibility for the accuracy, completeness or applicability of such information.

General

American Money Management Corporation ("**AMMC**"), organized under the laws of the State of Ohio in 1973 and with its principal offices located at 301 East Fourth Street, Cincinnati, OH 45202, will act as the Collateral Manager pursuant to the Collateral Management Agreement. AMMC is an indirect wholly-owned subsidiary of American Financial Group, Inc. ("**American Financial**") and provides investment management services to American Financial, American Financial's Affiliates and certain third-parties. American Financial is an insurance holding company with assets in excess of $30 billion. Through the operations of Great American Insurance Group, American Financial is engaged primarily in property and casualty insurance focusing on specialized commercial products for businesses, and in the sale of traditional fixed, indexed and variable annuities and a variety of supplemental insurance products. American Financial's common stock is listed on the New York Stock Exchange and NASDAQ Global Select Market under the symbol "AFG". Additional information regarding American Financial is available from its filings with the SEC. Such filings may be reviewed in the SEC's Public Reference Room located at 100 F Street N.E., Washington, DC 20549 and on the SEC's website (www.sec.gov). Such filings may also be accessed through American Financial's website (www.afginc.com).

As a result of the implementation of the Dodd-Frank Act and certain rules and regulations, thereunder, the Collateral Manager has registered as an "investment adviser" under the Investment Advisers Act. See "Risk Factors—Changes in the legislative and regulatory environment may affect the ability of the Co-Issuers to make payments on the Notes and result in enhanced scrutiny of the private fund industry". Additional information regarding the Collateral Manager may be obtained from Part 2A of the Collateral Manager's most recent Form ADV, which is available upon written request to American Money Management Corporation, 301 East Fourth Street, Cincinnati, OH 45202, Attention: Investor Relations or is publicly available through the SEC's website (www.sec.gov). The Collateral Manager will, from time to time, and upon the request of any Noteholder, provide a copy of Part 2A of the Collateral Manager's most recent Form ADV to such Noteholder. The Collateral Manger may amend its Form ADV (including Part 2A thereof) from time to time without notice to the Noteholders.

Overview. The Collateral Manager is an active participant in both the public and private debt and equity capital markets as an investment manager. The Collateral Manager's portfolios of managed assets include senior secured and unsecured bank loans, high yield debt securities, investment grade debt securities, asset-backed and mortgage-backed securities, real estate investments, private placements, mezzanine and subordinated investments, municipal bonds, and equity securities.

As of March 31, 2015, the Collateral Manager managed approximately U.S.$35.2 billion of fixed income assets of which approximately U.S.$3.0 billion are for third-party, non-affiliate accounts. The balance of the fixed income assets is managed for American Financial and its subsidiaries and Affiliates. Approximately U.S.$4.0 billion of the fixed income assets under management consist of investments in non-investment grade or high yield securities. The third party accounts had approximately U.S.$2.5 billion of secured and unsecured bank loans similar to the types of Collateral Obligations to be purchased by the Issuer. The sources of the Collateral Manager's investments include, but are not limited to, investment banks, commercial banks, transaction sponsors and other intermediaries. AMMC's investing activities are guided by a balancing of the risks and potential rewards associated with each transaction and the goals and requirements of each portfolio.

AMMC currently employs 26 investment professionals in its investment activities. The members of this group have an average of approximately 20 years of finance and/or investment industry experience. AMMC is experienced in evaluating high yield debt transactions and has participated in the high yield debt securities markets for over 20 years. The breadth of its investment experience is enhanced by its experience in credit underwriting activities, which include structuring and arranging investment grade and non-investment grade financings, and its participation as a lender in the loan-syndication market.

Investment opportunities for the Issuer will consist primarily of senior secured loans, senior unsecured debt and senior secured floating rate notes originated and syndicated by money center banks and major investment banks active in the non-investment grade market and senior secured loans and senior unsecured debt and floating rate notes available from banks, institutional loan investors and dealers in the secondary market.

AMMC CLO 15, Limited, AMMC CLO XIV, Limited, AMMC CLO XIII, Limited, AMMC CLO XII, Limited, AMMC CLO XI, Limited, AMMC CLO X, Limited and AMMC CLO IX, Limited.

The information herein is provided for disclosure purposes only. The history and experience of these portfolios are for illustrative purposes only. The historical results of these portfolios may not be indicative of the future results of the Issuer. These portfolios may have different investment objectives and may be subject to restrictions and requirements that may differ from those contained in this Offering Circular. The Collateral Manager will be subject to certain conflicts of interest on the Collateral. See "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its Affiliates".

The Collateral Manager manages AMMC CLO 15, Limited ("**AMMC CLO 15**"), a collateralized debt obligation that was formed in August 2014. AMMC CLO 15 consists mainly of senior loans. As of March 30, 2015, AMMC 15 had total asset commitments of approximately U.S.$501 million, consisting primarily of Senior Secured Loans (98.9%) (as such term is defined in the related transaction documents).

The Collateral Manager manages AMMC CLO XIV, Limited ("**AMMC CLO XIV**"), a collateralized debt obligation that was formed in November 2013. AMMC CLO XIV consists mainly of senior loans. As of February 26, 2015, AMMC XIV had total asset commitments of approximately U.S.$401 million, consisting primarily of Senior Secured Loans (98.1%) (as such term is defined in the related transaction documents).

The Collateral Manager manages AMMC CLO XIII, Limited ("**AMMC CLO XIII**"), a collateralized debt obligation that was formed in April 2013. AMMC CLO XIII consists mainly of senior loans. As of February 26, 2015, AMMC XIII had total asset commitments of approximately U.S.$402 million, consisting primarily of Senior Secured Loans (99.3%) (as such term is defined in the related transaction documents).

The Collateral Manager manages AMMC CLO XII, Limited ("**AMMC CLO XII**"), a collateralized debt obligation that was formed in November 2012. AMMC CLO XII consists mainly of senior loans. As of March 31, 2015, AMMC XII had total asset commitments of approximately U.S.$402 million, consisting primarily of Senior Secured Loans (98.5%) (as such term is defined in the related transaction documents).

The Collateral Manager manages AMMC CLO XI, Limited ("**AMMC CLO XI**"), a collateralized debt obligation that was formed in October 2012. AMMC CLO XI consists mainly of senior loans. As of March 20, 2015, AMMC XI had total asset commitments of approximately U.S.$439 million, consisting primarily of Senior Secured Loans (99.3%) (as such term is defined in the related transaction documents).

The Collateral Manager manages AMMC CLO X, Limited ("**AMMC CLO X**"), a collateralized debt obligation that was formed in March 2012. AMMC CLO X consists mainly of senior loans. As of March 31, 2015, AMMC X had total asset commitments of approximately U.S.$402 million, consisting primarily of Senior Secured Loans (98.5%) (as such term is defined in the related transaction documents).

The Collateral Manager manages AMMC CLO IX, Limited ("**AMMC CLO IX**"), a collateralized debt obligation that was formed in December 2011. AMMC CLO IX consists mainly of senior loans. As of March 6, 2015, AMMC IX had total asset commitments of approximately U.S.$446 million, consisting primarily of Senior Secured Loans (99.1%) (as such term is defined in the related transaction documents).

Senior Management, the CLO Credit Committee and Other Key Personnel

The following is a summary of the experience of key personnel who may be involved in the performance of AMMC's obligations under the Collateral Management Agreement. There can be no assurance that any such

individual will continue to be employed by AMMC or, if so employed, involved in performing AMMC's obligations under the Collateral Management Agreement.

Senior Management

The Senior Management of AMMC is responsible for the overall direction of AMMC's managed assets.

John B. Berding is President of AMMC and is responsible for the management of AMMC's Affiliates' and clients' investment portfolios. Mr. Berding also serves as a director of American Financial and an Executive Vice President, Investments for Great American Financial Resources, Inc., a subsidiary of American Financial. Mr. Berding joined AMMC in 1987. Mr. Berding is a CPA (inactive) and earned a BBA in Accounting and Finance from the University of Cincinnati and an MBA from the University of Chicago.

Douglas F. Marcian is an Executive Vice President of AMMC and is a member of AMMC's CLO Credit Committee. Prior to joining AMMC in 1991, Mr. Marcian was a Senior Vice President with Executive Life Insurance Company in charge of fixed income trading and research. Mr. Marcian earned a BA in Economics and Political Science from the University of Maryland and an MBA in Finance from The George Washington University. Mr. Marcian has announced that he will retire from AMMC effective December 31, 2015. AMMC does not currently anticipate hiring additional staff to directly replace Mr. Marcian.

Members of the CLO Credit Committee

The Collateral Manager currently intends that all material portfolio management decisions concerning the performance of the Collateral Manager's obligations under the Collateral Management Agreement (including the purchase and sale of Collateral Obligations) will be considered by one or more members of a CLO Credit Committee appointed by AMMC. The Collateral Manager will not be required to maintain the CLO Credit Committee in its current form or in any form. The Collateral Manager may appoint any person to or remove any person from the CLO Credit Committee and may terminate the CLO Credit Committee at any time. The CLO Credit Committee will initially consist of Douglas Marcian, Chester Eng and David Meyer.

Chester M. Eng is a Senior Vice President of AMMC, a member of AMMC's CLO Credit Committee and serves as an investment analyst focused on several specific industries. Prior to joining AMMC in 1991, Mr. Eng was a fixed income portfolio manager and analyst with The Penn Central Corporation; prior to 1988, he held various financial and investment positions at CBS, Inc. Mr. Eng is a CFA charterholder and earned a BA in Economics and Political Science from University of Rochester and an MBA from New York University's Stern School of Business.

David P. Meyer is a Senior Vice President of AMMC, a member of AMMC's CLO Credit Committee and serves as an investment analyst focused on several specific industries. Prior to joining AMMC in 1997, Mr. Meyer held various positions in American Financial's Finance Department where his responsibilities included the preparation of SEC and shareholder reports and internal auditing functions. Mr. Meyer joined American Financial in 1990. Mr. Meyer earned a BBA in Accounting from the University of Cincinnati.

Investment Analysts

In addition to the CLO Credit Committee, AMMC employs a total of eleven additional investment analysts. These analysts are responsible for evaluating industries and companies, recommending investments, and monitoring the portfolios. The average finance and/or investment industry experience of the Management Committee and the senior analysts is approximately 22 years. The investment analysts will initially consist of the following professionals:

Thomas J. Dattilo is a Senior Vice President of AMMC and serves as an investment analyst focused on several specific industries. Mr. Dattilo joined American Financial in 1973. Prior to joining AMMC, Mr. Dattilo held several key accounting and financial positions at American Financial. Mr. Dattilo is a CPA and earned a BBA in Accounting and Finance from the University of Cincinnati.

Thomas J. Keitel, Jr. is a Senior Vice President of AMMC and serves as an investment analyst focused on several specific industries. Prior to joining AMMC, Mr. Keitel held various positions in American Financial's Finance Department. Mr. Keitel joined American Financial in 1986. Mr. Keitel earned a BSBA in Finance from Xavier University.

Joanne B. Schubert is a Senior Vice President of AMMC and serves as an investment analyst focused on several specific industries. Prior to joining AMMC in 1986, Ms. Schubert was employed by AMAX Coal Company, a division of Cyprus/AMAX Minerals Company, in various financial planning and analysis roles. Ms. Schubert is a CFA charterholder and earned a BA in Economics from Goucher College and an MBA in Finance and Quantitative Analysis from the University of Cincinnati.

D. Timothy Shipp is a Senior Vice President of AMMC and serves as an investment analyst focused on several specific industries. Mr. Shipp joined AMMC in 1981. Mr. Shipp is a CFA charterholder and earned a BBA in Accounting from the University of Cincinnati and an MS in Finance from the University of Illinois.

Daniel J. Vonderhaar is a Senior Vice President of AMMC and serves as an investment analyst focused on several specific industries. Mr. Vonderhaar joined American Financial in 1973. Mr. Vonderhaar is a CPA (inactive) and earned a BBA in Accounting from the University of Cincinnati.

Kenneth J. Bushman is a Vice President of AMMC and serves as an investment analyst focused on several specific industries. Prior to joining AMMC in 1999, Mr. Bushman was a senior treasury analyst at Chiquita Brands International, Inc. Prior to that, Mr. Bushman held various positions in American Financial's Internal Audit and Finance Departments. Mr. Bushman earned a BBA in Finance and Accounting from the University of Cincinnati.

David J. Dickman is a Vice President of AMMC and serves as an investment analyst focused on several specific industries. Mr. Dickman is a CFA charterholder and earned a BSBA in Finance from Xavier University. Mr. Dickman joined AMMC in 2001.

Joseph A. Haverkamp is a Vice President of AMMC and serves as an investment analyst focused on several specific industries. Prior to joining AMMC in 2008, Mr. Haverkamp was an Associate at Banc of America Securities in their Strategic Capital trading group from 2004 to 2008. Mr. Haverkamp earned a BBA in Finance and Accounting from the University of Cincinnati.

Patrick J. Byrne is a Vice President of AMMC and serves as an investment analyst focused on several specific industries. Prior to joining AMMC in 2006, Mr. Byrne served as an Investment Analyst at Ameriprise Financial. Mr. Byrne is a CFA charterholder and earned a BBA in Finance from the University of Cincinnati.

Jeffrey D. Goehring is a Vice President of AMMC and serves as an investment analyst focused on several specific industries. Prior to joining AMMC in 2006, Mr. Goehring held various positions in the Finance Department at Great American Financial Resources, Inc., a subsidiary of American Financial. Mr. Goehring earned a BBA in Accounting and Finance from the University of Cincinnati and an MBA from Xavier University.

Nick A. Ruehlman is an investment analyst focused on several specific industries. Prior to joining AMMC in 2012, Mr. Ruehlman served as a Senior Associate at The Walnut Group and Blue Chip Venture Company, two Cincinnati-based private equity firms. Mr. Ruehlman is a CFA charterholder and earned a BBA in Finance and Real Estate from the University of Cincinnati.

Matt A. Hill is an investment analyst focused on several specific industries. Prior to joining AMMC in 2014, Mr. Hill served as a Credit Risk Analyst at Bank of America Merrill Lynch within their Global Markets Risk group. Mr. Hill earned a BS in Finance from Wake Forest University.

Other Investment Professionals

The other investment professionals employed by the Collateral Manager are responsible for certain specific functions and certain specific investment products, including bond trading and asset-backed and mortgage-backed securities analysis and trading. These investment professionals will initially consist of the following individuals:

William P. Hogan is a Senior Vice President and Co-head of Trading of AMMC primarily responsible for trading mortgage and asset-backed securities. Prior to joining AMMC in 1998, Mr. Hogan worked as a mortgage, asset-backed, and corporate fixed income securities registered representative at various broker-dealers, where, since 1984, he covered numerous institutional investors including insurance companies, mutual funds and banks. Mr. Hogan is a CFA charterholder and earned a BS in Finance from University of Notre Dame.

Jason J. Maney is a Senior Vice President and Co-head of Trading of AMMC primarily responsible for trading corporate bonds. Before joining AMMC in 2002, Mr. Maney was a senior investment associate with Ohio Casualty Corporation and a senior associate with Arthur Anderson LLP. Mr. Maney is a CPA, a CFA charterholder and earned a BBA in Accounting from Miami University (Ohio).

Kyle R. Dragan assists in trading investment grade corporate and municipal bonds. Mr. Dragan is a CFA charterholder and earned a BBA in Accounting and Finance from the University of Cincinnati and joined AMMC in 2007.

Z. Alex Glutz assists in trading mortgage and asset-backed securities. Mr. Glutz is a CFA charterholder and earned a BBA in Finance from the University of Cincinnati and joined AMMC in 2008.

Legal and Compliance

Certain professionals employed by the Collateral Management are responsible for legal and compliance related issues for the Collateral Manager and will initially consist of the following individual:

Mark A. Weiss is Vice President of AMMC and also serves as Chief Compliance Officer, responsible for administering AMMC's legal compliance functions. Mr. Weiss joined American Financial Group, Inc. in 2010. From 1992-2010, Mr. Weiss was an attorney with Cincinnati, Ohio law firm of Keating Muething & Klekamp, PLL. Mr. Weiss earned an AB in English from the University of Michigan and a JD from the University of Cincinnati College of Law.

John S. Fronduti is Vice President of AMMC and is responsible for legal and structuring issues relating to AMMC's CLO platform and legal and investment issues relating to its managed investment portfolios. Mr. Fronduti joined American Financial Group, Inc. in 2015. From 1997-2001, Mr. Fronduti was an attorney with the multi-national law firm of Pillsbury Winthrop Shaw Pittman LLP and from 2001-2015, Mr. Fronduti was an attorney with Cincinnati, Ohio law firm of Keating Muething & Klekamp, PLL. Mr. Fronduti earned a BBA in Finance from the University of Notre Dame and a JD from the University of Cincinnati College of Law.

CLO Compliance

Other professionals employed by the Collateral Manager are charged with oversight and collateral compliance for collateralized debt obligations and collateralized loan obligations managed by the Collateral Manager. The professionals will initially include the following individuals:

Lauren A. Wendling is a Senior CLO compliance analyst whose responsibilities include managing all operational aspects associated with the compliance team, participating in CLO structuring, operations set-up, bank loan portfolio compliance monitoring, loan settlement and trading support. Ms. Wendling earned a BBA in Finance and a minor in Real Estate from the University of Cincinnati and joined AMMC in 2005.

Elizabeth D. Dietz is a CLO compliance analyst whose responsibilities include participating in CLO structuring, bank loan portfolio compliance monitoring, loan settlement and trading support. Ms. Dietz earned a BSBA in Finance and a minor in Economics from Xavier University and joined AMMC in 2007.

Katie L. Bachus is an Assistant CLO compliance analyst whose responsibilities include assisting with bank loan portfolio compliance monitoring and loan settlements. Prior to joining AMMC in 2012, Ms. Bachus spent 15 years at PNC Bank where she held various positions.

Andrew J. Hetzer is an Assistant CLO compliance analyst whose responsibilities include assisting with bank loan portfolio compliance monitoring, reporting and trading support. Mr. Hetzer earned a BBA in Accounting from Thomas More College and joined AMMC in 2012.

THE COLLATERAL MANAGEMENT AGREEMENT

General

The Collateral Manager will perform certain investment management functions, including supervising and directing the investment and reinvestment of Assets, and perform certain advisory and administrative functions on behalf of the Issuer in accordance with the applicable provisions of the Collateral Management Agreement, the Collateral Administration Agreement and the Indenture. Under the Collateral Management Agreement, the Collateral Manager agrees, and will be authorized, among other things, in accordance with the Collateral Management Agreement and the applicable provisions of the Indenture, to (i) select the Collateral Obligations and Eligible Investments to be acquired or sold, terminated or otherwise disposed of by the Issuer, (ii) invest and reinvest the Assets and facilitate the acquisition and settlement of Collateral Obligations by the Issuer, in each case in accordance with the Indenture and the Collateral Management Agreement, (iii) instruct the Trustee with respect to any disposition or tender of a Collateral Obligation, Equity Security or Eligible Investment by the Issuer and (iv) perform all other tasks and take all other actions that either the Indenture, the Collateral Administration Agreement, the Subordinated Note Issuing and Paying Agency Agreement or the Collateral Management Agreement specify are to be taken by the Collateral Manager. None of Jefferies or any of its Affiliates will select any of the Collateral Obligations (see "Risk Factors-Relating to Certain Conflicts of Interest-The Issuer will be subject to various conflicts of interest involving Jefferies and its affiliates").

When purchasing or entering into Collateral Obligations on behalf of the Issuer, the Collateral Manager shall comply with requirements in the Collateral Management Agreement intended to prevent the Issuer from being engaged in a U.S. trade or business for U.S. federal income tax purposes (such requirements, the "**Investment Guidelines**") and with the Investment Criteria; *provided*, that the Collateral Manager shall not be permitted to comply with the Investment Guidelines to the extent that the Collateral Manager has actual knowledge that, due to a change in law, complying with the Investment Guidelines would result in the Issuer being engaged in a U.S. trade or business. The Collateral Manager may deviate from the Investment Guidelines only to the extent that it has received an Opinion of Counsel, that, taking into account the relevant facts and circumstances and the Issuer's other activities, the Issuer's acquisition, entry into, ownership, enforcement or disposition of the asset will not cause the Issuer to be engaged in a trade or business within the United States for U.S. federal income tax purposes or otherwise subject the Issuer to U.S. federal tax on a net income basis.

Pursuant to the Indenture, not later than the date fixed by the Collateral Manager on behalf of the Issuer for the delivery of a Collateral Obligation purchased in accordance with the requirements described under "Security for the Secured Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria—Investment Criteria", the Collateral Manager is required to deliver to the Trustee and the Collateral Administrator an officer's certificate of the Collateral Manager certifying that such purchase complies with such requirements.

Liability of the Collateral Manager

The Collateral Manager will perform its duties and functions under the Collateral Management Agreement with reasonable care and in good faith; *provided* that the Collateral Manager and its Affiliates and their respective members, managers, directors, officers, stockholders, employees and agents will not be liable to the Co-Issuers, the Trustee, the Subordinated Note Issuing and Paying Agent or any Secured Party or the holders of the Notes or any other Persons for any Losses (as defined below) incurred, or for any decrease in the value of the Assets or the Notes, as a result of the actions taken or recommended, or for any omissions, by the Collateral Manager or its Affiliates or their respective members, managers, directors, officers, stockholders, employees or agents under the Collateral Management Agreement, except by reason of acts or omissions constituting bad faith, fraud, willful misconduct or gross negligence in the performance of its obligations under the Collateral Management Agreement and under the applicable terms of the Collateral Administration Agreement and the Indenture. Any obligation of the Collateral Manager to apply commercially reasonable efforts in purchasing and disposing of Collateral Obligations and Eligible Investments and the performance of its other duties under the Collateral Management Agreement will permit the Collateral Manager to take into account its investment decision-making process and any other considerations it reasonably deems appropriate, including market conditions and trends and general economic

conditions. The Collateral Manager and its Affiliates and their respective members, managers, directors, officers, stockholders, employees and agents will be entitled to indemnification by the Issuer under certain circumstances (as described more fully below) in accordance with the Priority of Payments.

The Issuer will indemnify and hold harmless the Collateral Manager and its Affiliates and their respective members, managers, directors, officers, stockholders, employees and agents (collectively, the "**Collateral Manager Parties**") from and against any and all expenses, losses, damages, liabilities, demands, charges or claims of any nature whatsoever (including reasonable attorneys' fees and expenses) (collectively, "**Losses**"), as incurred, in respect of or arising from (i) the issuance of the Notes, (ii) the transactions described in this Offering Circular, the Indenture, the Subordinated Note Issuing and Paying Agency Agreement or the Collateral Management Agreement, (iii) any action or failure to act by any Collateral Manager Party which has not been determined in a final judicial proceeding to constitute bad faith, fraud, willful misconduct or gross negligence of the Collateral Manager's duties under the Collateral Management Agreement, the Collateral Administration Agreement or the Indenture or (iv) in respect of any untrue statement or alleged untrue statement of a material fact contained in this Offering Circular, or any omission or alleged omission to state a material fact necessary to make the statements in this Offering Circular, in light of the circumstances under which they were made, not misleading; *provided* that with respect to the foregoing indemnity provided with respect to this Offering Circular, the Issuer will not be liable for any Losses that arise out of or are based upon any untrue statement or omission of a material fact in this Offering Circular based upon information contained under the headings "Risk Factors—Relating to the Collateral Manager" and the subheadings thereunder, "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its Affiliates" and "The Collateral Manager" and in Part 2A of the Collateral Manager's Form ADV. The obligations of the Issuer to indemnify any Collateral Manager Party for any Losses will be payable on the next Payment Date and on each Payment Date thereafter until paid in full solely out of the Assets to the extent that funds are available therefor in accordance with the Priority of Payments.

The Collateral Manager will indemnify and hold harmless the Issuer and its Affiliates and their respective members, managers, directors, officers, stockholders, employees and agents from and against any and all Losses, as incurred, in respect of or arising from (i) acts or omissions constituting bad faith, fraud, willful misconduct or gross negligence in the performance by the Collateral Manager of its obligations under the Collateral Management Agreement and under the applicable terms of the Collateral Administration Agreement and the Indenture or (ii) any untrue statement or an alleged untrue statement of a material fact contained under or any omission or alleged omission to state a material fact necessary to make the statements under the headings "Risk Factors—Relating to the Collateral Manager" and the sub-headings thereunder, "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its Affiliates" and "The Collateral Manager" in this Offering Circular and the information in Part 2A of the Collateral Manager's Form ADV in light of the circumstances under which they were made, not misleading.

Assignment

The Collateral Manager may not assign its rights or responsibilities under the Collateral Management Agreement without (a) satisfying the Global Rating Agency Condition, (b) the written consent of a Majority of the Controlling Class and (c) the written consent of a Majority of the Subordinated Notes. Notwithstanding the foregoing, the Collateral Manager will be permitted to assign any or all of its rights and delegate any or all of its obligations under the Collateral Management Agreement without obtaining such confirmation or consent either (1) to an Affiliate registered as an investment adviser under the Investment Advisers Act or (2) to an Affiliate if such Affiliate (i) has demonstrated an ability to perform professionally and competently duties similar to those imposed upon the Collateral Manager under the Collateral Management Agreement, the Collateral Administration Agreement and the Indenture, (ii) is legally qualified and has the capacity to act as Collateral Manager under the Collateral Management Agreement and (iii) performs its obligations under the Collateral Management Agreement using substantially the same team of individuals which would have performed such obligations had the assignment not occurred (subject to the right of the Collateral Manager to remove, replace or substitute any such individuals in the ordinary course of its business); *provided* that (A) any assignment by the Collateral Manager of its rights and responsibilities under the Collateral Management Agreement will require the written consent of each of the Issuer, a Majority of the Controlling Class and a Majority of the Subordinated Notes if it would constitute an "assignment"

for purposes of Section 205(a)(2) of the Investment Advisers Act unless (x) such assignment is to an Affiliate which has not become an Affiliate because of the occurrence of a Specified Change in Control Event and (y) regardless of whether clause (2) above applies, such Affiliate meets the standards provided in clauses (ii) and (iii) of clause (2) above; (B) the assignment by the Collateral Manager pursuant to clause (2) above of substantially all of its rights or the delegation of substantially all of its obligations under the Collateral Management Agreement to any Affiliate will require satisfaction of the Moody's Rating Condition (but not a confirmation from any other Rating Agency) and (C) the Collateral Manager may only assign its rights and responsibilities under the Collateral Management Agreement if the locations and actions of the assignee do not, solely as a result of the locations or actions of such Person, cause the Issuer to be subject to tax in a jurisdiction other than the Issuer's jurisdiction of organization. As used above, a "**Specified Change in Control Event**" shall have occurred if either: (1) American Financial or one or more of its wholly-owned subsidiaries shall fail to own, directly or indirectly (free and clear of all liens, claims and other encumbrances), more than 50% in the aggregate of the issued and outstanding shares of common stock issued by the Collateral Manager or (2) any Person or group (together with its Affiliates) becomes the beneficial owner of more than 35% of the capital stock of American Financial entitled to vote for the election of directors or any Person acquires all or substantially all of the assets of American Financial or American Financial is merged with or into any other Person (not owned by the shareholders of American Financial) and American Financial is not the surviving entity of such merger.

In addition, the Collateral Manager, may, without the prior consent of the Issuer or any Noteholder, employ or contract with third parties (including its Affiliates) to render advice (including investment advice) and assistance, including the performance of any of its duties under the Collateral Management Agreement; *provided* that (i) the Collateral Manager will not be relieved of any of its duties under the Collateral Management Agreement as a result of employing or contracting with third parties and (ii) the locations and actions of such third parties do not, solely as a result of the locations or actions of such third parties, cause the Issuer to be subject to tax.

Removal, Resignation and Replacement of the Collateral Manager

The Collateral Manager may be removed by the Issuer or the Trustee for "cause" upon 30 days' prior written notice, at the direction of the holders of (i) 66 2/3% in Aggregate Outstanding Amount of the Controlling Class, (ii) 66 2/3% in Aggregate Outstanding Amount of each Class (other than the Controlling Class) of Secured Notes (voting separately) or (iii) 66 2/3% in Aggregate Outstanding Amount of the Subordinated Notes; *provided* that termination pursuant to clause (c) below will be automatic with no notice required from the Issuer, the Trustee, the Subordinated Note Issuing and Paying Agent or any other Person. Notice of such removal for cause will be delivered by or on behalf of the Issuer to the holders of each Class of Notes and the Trustee.

For purposes of the Collateral Management Agreement, "cause" will mean the occurrence of any one of the following events: (a) willful violation or breach by the Collateral Manager of any material provision of the Collateral Management Agreement, the Indenture or the Subordinated Note Issuing and Paying Agency Agreement applicable to the Collateral Manager (including, but not limited to, any breach of a material representation, warranty or certification of the Collateral Manager thereunder); (b) any violation or breach by the Collateral Manager of any provision of the Collateral Management Agreement, the Indenture or the Subordinated Note Issuing and Paying Agency Agreement applicable to it (other than as covered by the preceding clause (a) and it being understood that the failure to satisfy or comply with any Coverage Test, Investment Criteria or Collateral Quality Test, other than a willful violation or breach of the Investment Criteria at the time of acquisition of any Collateral Obligation is not such a violation or breach) which violation or breach (1) has a material adverse effect on the holders of any Notes and (2) if capable of being cured, is not cured within 30 days of the Collateral Manager becoming aware of, or receiving notice from the Issuer, the Trustee or the Subordinated Note Issuing and Paying Agent of, such violation or breach, or, if such violation or breach is not capable of being cured within 30 days but is capable of being cured in a longer period, the Collateral Manager fails to cure such violation or breach within the period in which a reasonably prudent person could cure such violation or breach, but in no event greater than 60 days; (c) certain events of bankruptcy or insolvency in respect of the Collateral Manager or American Financial specified in the Collateral Management Agreement; (d) the occurrence of any act constituting fraud or criminal negligence in respect of investment activity by the Collateral Manager or any officer of the Collateral Manager who has direct responsibility for the investment activities of the Issuer; or (e) the occurrence of any event specified in clause (a) or (b) of the definition of "Event of Default" which default is primarily the result of any act or omission of the Collateral

Manager resulting from a breach by the Collateral Manager of its duties under the Collateral Management Agreement, the Collateral Administration Agreement or the Indenture (but not as a result of any default of any Collateral Obligation). The Collateral Management Agreement will also be automatically terminated if (i) the Administrator, in consultation with the board of directors of the Issuer, determines in good faith that the Issuer or the Co-Issuer or any portion of the pool of Assets has become required to register as an investment company under the provisions of the Investment Company Act, and the Administrator notifies the Collateral Manager thereof and (ii) in the Opinion of Counsel for the Issuer, the existence of the Collateral Management Agreement or the appointment of the Collateral Manager, or performance of its obligations, under the Collateral Management Agreement causes the Issuer to be engaged in the conduct of a trade or business in the United States for U.S. federal income tax purposes or otherwise causes material adverse tax consequences to the Issuer. The Collateral Manager may resign at any time by providing 90 days' prior written notice to the Issuer, the Trustee and the Subordinated Note Issuing and Paying Agent.

On the Closing Date, one or more Affiliates of AMMC will purchase, directly or indirectly, (a) U.S.$24,350,000 in aggregate principal amount of the Class A1 Notes, (b) U.S.$1,550,000 in aggregate principal amount of the Class A-F Notes, (c) U.S.$300,000 in aggregate principal amount of the Class AX Notes, (d) U.S.$2,550,000 in aggregate principal amount of the Class B1 Notes, (e) U.S.$215,000 in aggregate principal amount of the Class B-F Notes, (f) U.S.$1,500,000 in aggregate principal amount of the Class C Notes, (g) U.S.$1,500,000 in aggregate principal amount of the Class D Notes, (h) U.S.$1,350,000 in aggregate principal amount of the Class E Notes and (i) U.S.$11,200,000 in aggregate principal amount of the Subordinated Notes. The Collateral Manager has advised the Issuer that such Affiliates currently intend to hold such Collateral Manager Notes. Notwithstanding such intention, there is no requirement that such Collateral Manager Notes be held by such party or parties and such Collateral Manager Notes may be sold by such party or parties to related and unrelated parties at any time after the Closing Date; *provided*, *however*, that the Collateral Manager may agree with one or more Holders of the Subordinated Notes to retain all or a portion of the Initial Collateral Manager Notes, as described under "Risk Factors—Relating to the Collateral Manager—The Collateral Manager may enter into arrangements with holders of the Subordinated Notes relating to retention of the Notes and creating certain obligations". The investment in a portion of the Subordinated Notes and certain of the Secured Notes by one or more Affiliates of AMMC may give the Collateral Manager an incentive to take actions that may vary from the interests of the holders of Secured Notes.

Collateral Manager Notes will be disregarded and have no voting rights with respect to any vote in respect of any of the following: (i) the removal of the Collateral Manager for "cause" and any related termination of the Collateral Management Agreement, (ii) the appointment or approval of a successor Collateral Manager if the Collateral Manager is being removed for "cause" pursuant to the Collateral Management Agreement and (iii) the waiver of any event constituting "cause" pursuant to the Collateral Management Agreement as a basis for termination of the Collateral Management Agreement and removal of the Collateral Manager; and in each such case, such Notes will be deemed not to be outstanding in connection with any such vote, except that only Notes that a trust officer of the Trustee actually knows to be Collateral Manager Notes shall be so disregarded.

Upon any resignation or removal of the Collateral Manager pursuant to the Collateral Management Agreement while any of the Secured Notes are outstanding, a Majority of the Subordinated Notes may appoint an institution as replacement Collateral Manager which is not affiliated with the Collateral Manager so long as such institution (i) has demonstrated an ability to perform professionally and competently duties similar to those imposed upon the Collateral Manager, (ii) is legally qualified and has the capacity to act as Collateral Manager and assume all of the responsibilities, duties and obligations of the Collateral Manager under the Collateral Management Agreement and any arrangement entered into with holders of the Notes and under the applicable terms of the Collateral Administration Agreement and the Indenture, (iii) by its appointment will not cause the Issuer, the Co-Issuer or any portion of the pool of Assets to become required to register as an investment company under the provisions of the Investment Company Act, (iv) has accepted its appointment in writing, (v) is not a holder of or an Affiliate of any holder of the Subordinated Notes, (vi) with respect to such institution, evidence of the satisfaction of the Global Rating Agency Condition has been delivered to each of the Issuer, the Trustee and the Subordinated Note Issuing and Paying Agent and (vii) does not cause the Issuer to be subject to net income tax outside the Issuer's jurisdiction of incorporation; *provided* that in connection with such appointment the Majority of the Subordinated Notes shall provide prompt notice of such successor Collateral Manager to the Collateral Manager, the Issuer, the

Trustee and the Subordinated Note Issuing and Paying Agent. Notwithstanding the foregoing, no successor Collateral Manager may assume the duties of the Collateral Manager if a Majority of the Controlling Class vote to reject such proposed successor within 30 days of receipt of notice of such appointment. If the Collateral Manager is removed for cause pursuant to the Collateral Management Agreement, during the Collateral Manager Replacement Period, the Issuer or the Collateral Manager on behalf of the Issuer may not sell any Collateral Obligations, purchase any additional Collateral Obligations or otherwise reinvest any proceeds in additional Collateral Obligations all as otherwise permitted pursuant to the Indenture and the obligations of the Collateral Manager under the Collateral Management Agreement shall be curtailed accordingly; *provided* that no Collateral Manager Replacement Period shall restrict any purchase or sale of a Collateral Obligation entered into by the Issuer at a time when a Collateral Manager Replacement Period is not in effect, regardless of whether such purchase or sale has settled. In the event that the Collateral Manager shall have resigned or been terminated pursuant to notice as described herein and a Majority of the Subordinated Notes have not directed the Issuer to appoint a successor prior to the day following the termination date specified in such notice, the Collateral Manager will be entitled to appoint a successor within 60 days thereafter which (i) is not an Affiliate of AMMC or any entity of which Persons responsible for management are the same as those Persons responsible for management at AMMC and (ii) meets the requirements set forth in clauses (i) through (v), (vii) and (viii) listed above. In the event such a proposed successor Collateral Manager is disapproved by a Majority of the Controlling Class within 30 days of receipt of notice of such appointment or no successor Collateral Manager is proposed and accepted within 90 days of such specified termination date, a Majority of either the Controlling Class or the Subordinated Notes or, subject to the following sentence, the resigning or removed Collateral Manager, may petition any court of competent jurisdiction for the appointment of a successor Collateral Manager, which appointment will not require the consent of, nor be subject to the disapproval of, the Issuer or any Holder of the Notes or satisfaction of the Global Rating Agency Condition or any other condition. Notwithstanding the foregoing sentence, if the removed Collateral Manager was removed for cause, then the removed Collateral Manager may petition any court of competent jurisdiction for the appointment of a successor only if a Majority of either the Controlling Class or the Subordinated Notes has not petitioned such a court to appoint a successor within 30 days of gaining the ability to do so. Upon expiration of the applicable notice period with respect to termination specified in the Collateral Management Agreement, and upon the acceptance by a successor Collateral Manager of such appointment, all authority and power of the Collateral Manager under the Collateral Management Agreement and the Indenture, whether with respect to the Assets or otherwise, will automatically and without further action by any Person pass to and be vested in the successor Collateral Manager upon the appointment thereof.

No termination, removal of or resignation by the Collateral Manager will be effective until the date on which a successor Collateral Manager (appointed pursuant to the Collateral Management Agreement) has (i) assumed in writing all of the Collateral Manager's duties and obligations pursuant to the Collateral Management Agreement and any arrangement entered into with holders of the Notes or (ii) been appointed by a court of competent jurisdiction in the manner described above.

For so long as any Class of Secured Notes is listed on the Irish Stock Exchange, the Issuer will cause a copy of any amendment or modification to the Collateral Management Agreement to be sent to the Irish Stock Exchange.

Conflicts of Interest

It is understood that the Collateral Manager and any of its Affiliates may engage in any other business and furnish investment management and advisory services to others, including persons which may have investment policies different from or similar to those of the Collateral Manager with respect to the Assets and which may own securities or obligations of the same class, or which are of the same type, as the Collateral Obligations or the Eligible Investments or other securities or obligations of the issuers of the Collateral Obligations or the Eligible Investments or other securities or obligations of the issuers of the Collateral Obligations, the Equity Securities or the Eligible Investments. The Collateral Manager will, subject to the standard of care required by the Collateral Management Agreement, be free, in its sole discretion, to make recommendations to others, or effect transactions on behalf of itself or for others, which may be the same as or different from those effected with respect to the Assets. The Collateral Manager (on its own behalf and on behalf of other managed accounts) and its Affiliates (i) may invest in securities and loans that would be appropriate to purchase under the Indenture and (ii) may purchase or sell

securities and loans for or on behalf of itself, its Affiliates and its managed accounts without purchasing or selling such securities or loan for the Issuer and may purchase or sell securities and loans for the Issuer without purchasing or selling such securities or loans for itself, its Affiliates or its managed accounts, subject to any restrictions applicable to registered advisers specified in the Investment Advisers Act of 1940, as amended. Nothing in the Indenture and the Collateral Management Agreement shall prevent the Collateral Manager or any of its Affiliates, acting either as principal or agent on behalf of others, from buying or selling, or from recommending to or directing any other account to buy or sell, at any time, securities or obligations of the same kind or class, or securities or obligations of a different kind or class of the same issuer, as those directed by the Collateral Manager to be purchased or sold on behalf of the Issuer. One or more Affiliates of the Collateral Manager is expected to purchase a portion of each Class of the Secured Notes and a portion of the Subordinated Notes on the Closing Date and such Affiliates and other Affiliates, clients and accounts advised by the Collateral Manager may acquire other Notes in the future. It is understood that, to the extent permitted by applicable law, the Collateral Manager, its Affiliates or their respective directors, officers, members, managers or employees or any member of their families or a Person advised by the Collateral Manager may have an interest in a particular transaction or in securities or obligations of the same kind or class, or securities or obligations of a different kind or class of the same issuer, as those whose purchase or sale the Collateral Manager may direct pursuant to the Collateral Management Agreement. In the event that, in light of market conditions and investment objectives, the Collateral Manager determines that it would be advisable to purchase the same item of Collateral Obligation both for the Issuer, and either the proprietary account of the Collateral Manager or any Affiliate of the Collateral Manager or another client of the Collateral Manager, the Collateral Manager will employ allocation procedures as more fully set forth in the Collateral Management Agreement.

Nothing in the Collateral Management Agreement precludes the Collateral Manager or its Affiliates from acting as principal, agent or fiduciary for other clients in connection with securities simultaneously held by the Issuer or of the type eligible for investment by the Issuer or limiting any relationships the Collateral Manager or any of its Affiliates may have with any obligor of any item of Collateral Obligation. The Collateral Management Agreement requires that all such purchases from or sales to an Affiliate of the Collateral Manager or the Collateral Manager's clients (including the Issuer) be made in compliance with the provisions of the Investment Advisers Act. See "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its Affiliates". Should a conflict of interest actually arise, the Collateral Manager will endeavor to resolve it in a manner which it deems to be fair and equitable to the extent possible under the prevailing facts and circumstances. The provisions of the Collateral Management Agreement do not override the Collateral Manager's fiduciary and other duties under the Investment Advisers Act.

The Indenture and the Collateral Management Agreement place significant restrictions on the Collateral Manager's ability to buy and sell Assets on behalf of the Issuer. Accordingly, during certain periods or in certain specified circumstances, the Collateral Manager may be unable to buy or sell securities or to take other actions which it might consider in the best interests of the Issuer and the holders of Notes as a result of the restrictions set forth in the Indenture and the Collateral Management Agreement. Unless the Collateral Manager determines in its sole discretion that such purchase or sale may be appropriate, the Collateral Manager may refrain from directing the purchase or sale of securities or obligations of (i) the Collateral Manager, its Affiliates or their respective directors, officers, stockholders, employees or agents, (ii) Persons for which the Collateral Manager or any of its Affiliates acts as financial adviser or underwriter or (iii) Persons about which the Collateral Manager or any of its Affiliates has information which the Collateral Manager deems confidential or non-public or otherwise might prohibit it from trading such securities or obligations in accordance with applicable law. The Collateral Manager shall not be obligated to exploit any particular investment opportunity that may arise with respect to the Assets.

Compensation of the Collateral Manager

As compensation for the performance of its obligations as Collateral Manager, the Collateral Manager will be entitled to receive a fee, which will accrue quarterly in arrears on each Payment Date (prorated for the related Interest Accrual Period), in an amount equal to the sum of (i) 0.20% per annum (calculated on the basis of a 360-day year consisting of twelve 30-day months) of the Fee Basis Amount at the beginning of the Collection Period relating to such Payment Date (the "**Senior Collateral Management Fee**"); *provided* that the Senior Collateral Management Fee payable on any Payment Date shall not include any such fee (or any portion thereof) the payment of which has

been irrevocably waived by the Collateral Manager pursuant to the Collateral Management Agreement, (ii) 0.15% per annum plus, if applicable, the Incremental Subordinated Collateral Manager Fee (calculated, in each case, on the basis of a 360-day year consisting of twelve 30-day months) of the Fee Basis Amount at the beginning of the Collection Period relating to such Payment Date (the "**Subordinated Collateral Management Fee**"); *provided* that the Subordinated Collateral Management Fee payable on any Payment Date shall not include any such fee (or any portion thereof) the payment of which has been irrevocably waived by the Collateral Manager pursuant to the Collateral Management Agreement and (iii) an amount equal to, as applicable on such Payment Date, (x) the sum of 20.0% of any remaining Interest Proceeds distributable pursuant to clause (U) of the Priority of Payments as described in "Summary of Terms—Priority of Payments—Application of Interest Proceeds" 20.0% of any remaining Principal Proceeds distributable pursuant to clause (S) of the Priority of Payments as described in "Summary of Terms-Priority of Payments-Application of Principal Proceeds" or (y) 20.0% of any remaining Interest Proceeds and Principal Proceeds distributable pursuant to clause (S) of the Special Priority of Payments as described in "Description of the Notes-Priority of Payments" (such payments described in clause (iii), collectively, the "**Incentive Collateral Management Fee**") and, together with the Senior Collateral Management Fee and the Subordinated Collateral Management Fee, the "**Management Fee**"); *provided* that the Incentive Collateral Management Fee payable on any Payment Date shall not include any such fee (or any portion thereof) the payment of which has been irrevocably waived by the Collateral Manager pursuant to the Collateral Management Agreement. No waiver of Management Fee by the Collateral Manager shall affect the amount of any Senior Collateral Management Fee or Subordinated Collateral Management Fee that would be payable to any successor Collateral Manager.

The Management Fee is payable on each Payment Date only to the extent that sufficient Interest Proceeds or Principal Proceeds are available. If on any Payment Date there are insufficient funds to pay any Management Fee then due in full, the amount not so paid will be deferred and will be payable on the first succeeding Payment Date on which any funds are available therefore in accordance with the Priority of Payments.

The Issuer will reimburse the Collateral Manager for expenses including fees and out-of pocket expenses reasonably incurred by the Collateral Manager in connection with the services provided under the Collateral Management Agreement with respect to (a) legal advisers, consultants, rating agencies, accountants, brokers and other professionals retained by the Issuer or the Collateral Manager (on behalf of the Issuer), (b) 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 Obligations, (c) all taxes and governmental charges (not based on the income of the Collateral Manager), insurance premiums or expenses, (d) 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 (including without limitation any restructuring or work-outs) thereof, including attorneys' fees and disbursements and (e) other Administrative Expenses and as otherwise agreed upon by the parties. Where such fees and expenses have been incurred by the Collateral Manager on behalf of multiple clients, funds or accounts for which the Collateral Manager serves as investment adviser, the Collateral Manager will only seek to be reimbursed for the *pro rata* portion thereof attributable to the services provided under the Collateral Management Agreement, as determined by the Collateral Manager in a reasonable and equitable manner. The fees and expenses payable to the Collateral Manager on any Payment Date shall constitute Administrative Expenses that are payable only as described under "Description of the Notes—Priority of Payments".

On the Closing Date, the Collateral Manager will be reimbursed by the Issuer for certain of its expenses incurred in connection with the acquisition of the initial Collateral Obligations and the issuance of the Notes (including, without limitation, legal fees and expenses).

Amendment

The Collateral Management Agreement may not be modified or amended other than by an agreement in writing by the parties thereto and upon the satisfaction of the Moody's Rating Condition.

THE CO-ISSUERS

General

AMMC CLO 16, Limited (the "**Issuer**") is an exempted company incorporated with limited liability under the laws of the Cayman Islands and is a special purpose entity established for the sole purpose of acquiring the Collateral Obligations, issuing the Notes and engaging in certain related transactions. The Issuer was incorporated on November 26, 2014 in the Cayman Islands with registered number MC-294176 and has an indefinite existence. The Issuer's registered office is at P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands, telephone no. +1 345 945 7099, and the business address of each of the directors of the Issuer is at the offices of MaplesFS Limited, P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands, Attention: The Directors, telephone no. +1 345 945 7099, facsimile no. +1 345 945 7100. The directors of the Issuer are Karen Perkins and Christopher Watler. The directors of the Issuer serve as directors of and provide services to other special purpose entities that issue collateralized obligations and perform other duties for the Administrator. The Issuer has no prior operating history other than in connection with pre-closing warehouse arrangements to facilitate the acquisition of Collateral Obligations in contemplation of the transaction described herein. See "Risk Factors—Relating to the Collateral Obligations—Acquisition of initial Collateral Obligations before the Closing Date". The Issuer does not publish any financial statements.

Subject to the contracting restrictions imposed upon the Issuer by the Indenture, the directors of the Issuer have the power to borrow on behalf of the Issuer. A director of the Issuer is not required to own any shares in the Issuer in order to qualify as a director.

A director of the Issuer (or his alternate director in his absence) is at liberty to vote in respect of any contract or transaction in which he is interested; *provided* that the nature of the interest of any director or alternate director in any such contract or transaction is disclosed by him or the alternate director appointed by him at or prior to its consideration and any vote on it.

The authorized share capital of the Issuer will be U.S.$50,000 divided into 50,000 ordinary shares of U.S.$1.00 each, 250 of which have been issued. A portion of the proceeds of the Notes will be used to redeem certain equity interests authorized and issued prior to the Closing Date in full on the Closing Date. See "Use of Proceeds."All of the issued shares (the "**Issuer Ordinary Shares**") are fully-paid and as at the Closing Date, shall be held by MaplesFS Limited as share trustee (in such capacity, the "**Share Trustee**") under the terms of an amended and restated declaration of trust (the "**Declaration of Trust**") dated on or about the Closing Date under which the Share Trustee holds the Issuer Ordinary Shares in trust until the Termination Date (as defined in the Declaration of Trust) and may only dispose or otherwise deal with the Issuer Ordinary Shares with the approval of the Trustee for so long as there are any Notes outstanding. Prior to the Termination Date, the trust is an accumulation trust, but the Share Trustee has power with the consent of the Trustee, to benefit the Noteholders or Qualified Charities (as defined in the Declaration of Trust). It is not anticipated that any distribution will be made while any Note is outstanding. Following the Termination Date, the Share Trustee will wind up the trust and make a final distribution to charity. The Share Trustee has no beneficial interest in, and derives no benefit (other than its fee for acting as Share Trustee) from, its holding of the Issuer Ordinary Shares.

The Issuer has, and will have, no assets other than the sum of U.S.$250 representing the issued and paid-up share capital, such fees (as agreed) payable to it in connection with the issue of the Notes and the acquisition of assets in connection with the Notes, the bank account into which such paid-up share capital and fees are deposited, any interest earned thereon and the assets on which the Secured Notes are secured. Save in respect of fees generated in connection with the issue of the Notes any related profits and proceeds of any deposits and investments made from such fees or from amounts representing the Issuer's issued and paid-up share capital, the Issuer does not expect to accumulate any surpluses.

The Notes are the obligations of the Issuer alone (or, in the case of the Co-Issued Notes, the Co-Issuers) and not the Share Trustee. Furthermore, they are not the obligations of, or guaranteed in any way by the Share Trustee or any other party.

AMMC CLO 16, Corp. (the "**Co-Issuer**") was incorporated under the laws of the State of Delaware and is a special purpose entity established for the sole purpose of co-issuing the Secured Notes (other than the Class E Notes). The Co-Issuer was incorporated on April 15, 2015 in the State of Delaware with registered number 5607024 and has an indefinite existence. The Co-Issuer's registered office is at 2711 Centerville Road, Suite 400, City of Wilmington, State of Delaware 19808, County of New Castle, telephone no. (302) 738-6680. The Co-Issuer has no substantial assets and will not pledge any assets to secure the Notes.

The sole director and officer of the Co-Issuer is Donald J. Puglisi. The principal outside function of Donald J. Puglisi consists of being a finance professor emeritus at the University of Delaware and serving as a corporate director for a variety of entities. Donald J. Puglisi may be contacted at the registered office of the Co-Issuer. The Co-Issuer has no prior operating history. Unless otherwise required pursuant to the Indenture, the Co-Issuer will not publish any financial statements.

The Co-Issuer's authorized common stock consists of 100 shares of common stock, U.S.$0.01 par value (the "**Co-Issuer Common Stock**"). The Issuer will own 100% of the Co-Issuer Common Stock on the Closing Date.

The Notes are not obligations of the Trustee, the Subordinated Note Issuing and Paying Agent, the Collateral Manager, Jefferies, the Collateral Administrator, or any of their respective Affiliates, the Administrator, the Share Trustee or any directors or officers of the Co-Issuers. The Co-Issuer will not make any payments of interest or principal on the Notes.

Capitalization of the Issuer

The Issuer's proposed capitalization and indebtedness as of the Closing Date after giving effect to the issuance of the Notes and the Issuer Ordinary Shares (before deducting expenses of the offering) is set forth below:

	Amount
Class A1 Notes	U.S.$286,985,000
Class A-F Notes	U.S.$31,000,000
Class AX Notes	U.S.$6,000,000
Class B1 Notes	U.S.$50,800,000
Class B-F Notes	U.S.$4,215,000
Class C Notes	U.S.$30,000,000
Class D Notes	U.S.$30,000,000
Class E Notes	U.S.$27,000,000
Subordinated Notes	U.S.$44,800,000
Total Debt	U.S.$510,800,000
Issuer Ordinary Shares	250
Retained Earnings	
Total Equity	U.S.$250
Total Capitalization	U.S.$510,800,250[1]

[1] Unaudited.

The Co-Issuer has no other liabilities other than the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. The Issuer used a portion of the proceeds of the Notes to redeem preference shares issued by the Issuer in connection with the acquisition of certain Collateral Obligations prior to the Closing Date. See "Use of Proceeds-General".

Business of the Co-Issuers

The Issuer's Memorandum of Association describes the objects of the Issuer, which are unrestricted. The Co-Issuer's certificate of incorporation describes the objects of the Co-Issuer, which include the activities to be carried out by the Co-Issuer in connection with the Secured Notes (other than the Class E Notes). The Co-Issuers have not issued securities, other than common shares, prior to the date of Offering Circular and have not listed any

securities on any exchange. The Issuer will not undertake any activities other than issuing, paying and redeeming the Notes and any additional notes issued pursuant to the Indenture or the Subordinated Note Issuing and Paying Agency Agreement, incurring any obligation in connection with a Refinancing, acquiring, holding, selling, exchanging, redeeming and pledging, solely for its own account, Collateral Obligations and Eligible Investments, acquiring, holding, selling, exchanging, redeeming and pledging shares in Blocker Subsidiaries and other activities incidental thereto, including entering into, and performing its obligations under, the Transaction Documents to which it is a party and other documents and agreements contemplated thereby and or incidental thereto. The Issuer shall not engage in any activity that would cause the Issuer to be subject to U.S. federal, state or local income tax on a net income basis, except that it may hold Equity Securities, Defaulted Obligations, and securities and other consideration received under certain circumstances, pending the disposition of such items subject to certain conditions. The Issuer shall not hold itself out as originating loans, lending funds or securities, making a market in loans or other assets or selling loans or other assets to customers or as willing to enter into, assume, offset, assign or otherwise terminate positions in derivative financial instruments with customers (other than in connection with activities permitted by the Investment Guidelines). The Co-Issuer shall not engage in any business or activity other than its pre-Closing Date activities in connection with the warehouse financing, issuing and selling the Secured Notes (other than the Class E Notes) and any additional rated notes issued pursuant to the Indenture, incurring any obligation in connection with a Refinancing, and other activities incidental thereto, including entering into, and performing its obligations under, the Transaction Documents to which it is a party and other documents and agreements contemplated thereby and or incidental thereto. Neither of the Co-Issuers will have any subsidiaries (other than, in the case of the Issuer, the Warehouse SPE to be merged into the Issuer on the Closing Date, the Co-Issuer or any Blocker Subsidiaries). In general, subject to the credit quality and diversity of the Collateral Obligations and general market conditions and the need (in the judgment of the Collateral Manager) to satisfy the Coverage Tests, the Interest Diversion Test, the Concentration Limitations and the Collateral Quality Test or to obtain funds for the redemption or payment of the Notes, the Issuer will own the Assets and will receive payments of interest and principal on the Collateral Obligations and Eligible Investments as the principal source of its income. The ability to purchase additional Collateral Obligations and sell Collateral Obligations prior to maturity is subject to significant restrictions under the Indenture. See "Security for the Secured Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria".

In addition, pursuant to the terms of an agreement to be entered into on or prior to the Closing Date among the Issuer, the Collateral Manager and the Collateral Administrator (the "**Collateral Administration Agreement**"), the Issuer will retain U.S. Bank National Association, in such capacity as collateral administrator (the "**Collateral Administrator**") to, among other things, perform certain administrative duties of the Issuer, or of the Collateral Manager on behalf of the Issuer, with respect to the Assets, including the compilation of certain reports and the performance of certain calculations with respect to the Collateral Quality Test, the Interest Diversion Test and the Coverage Tests, subject, in each case, to the Collateral Administrator's receipt from the Collateral Manager of information with respect to the Assets that is not contained in the collateral database maintained under the Collateral Administration Agreement. The compensation paid by the Issuer for such services will be in addition to the fees paid to the Collateral Manager and will be treated as an expense of the Issuer and will be subject to the Priority of Payments.

The terms of the Collateral Administration Agreement provide that any of the Issuer, the Collateral Manager or the Collateral Administrator may terminate such agreement without cause by giving at least 90 days' written notice to each other party and to the Rating Agencies. Further, the Collateral Manager or the Issuer may terminate the agreement and remove the Collateral Administrator by giving ten days' written notice to the Collateral Administrator and the Issuer or the Collateral Manager, as the case may be, upon the happening of certain bankruptcy events or the breach by the Collateral Administrator of its material duties under such agreement. Except when the Collateral Administrator resigns due to the Issuer's or the Collateral Manager's failure to pay fees, indemnity payments or expense reimbursements due to the Collateral Administrator in accordance with the Collateral Administration Agreement, no removal or resignation of the Collateral Administrator shall be effective until the date as of which a successor collateral administrator reasonably acceptable to the Collateral Manager and the Issuer or as otherwise appointed by a court of competent jurisdiction shall have been appointed and shall have agreed in writing to accept such appointment including all of the Collateral Administrator's duties and obligations pursuant to the Collateral Administration Agreement.

MaplesFS Limited (the "**Administrator**") will act as the administrator of the Issuer. The office of the Administrator will serve as the general business office of the Issuer. Through the office, and pursuant to the terms of an amended and restated Administration Agreement to be entered into between the Issuer and the Administrator (the "**Administration Agreement**"), the Administrator will perform in the Cayman Islands or such other jurisdiction as may be agreed by the parties from time to time various management functions on behalf of the Issuer and the provision of certain clerical, administrative and other services until termination of the Administration Agreement. The Issuer and the Administrator have also entered into a registered office agreement dated December 11, 2014 (the "**Registered Office Agreement**"), for the provision of registered office facilities to the Issuer. In consideration of the foregoing, the Administrator will receive various fees payable by the Issuer at rates agreed upon from time to time, plus expenses. The terms of the Administration Agreement and the Registered Office Agreement provide that either the Issuer or the Administrator may terminate such agreements by giving at least 14 days' notice to the other party at any time within 12 months of the happening of any of certain stated events, including any breach by the other party of its obligations under such agreements. In addition, the Administration Agreement and the Registered Office Agreement provide that either party shall be entitled to terminate such agreements by giving at least three months' notice in writing to the other party with a copy to any applicable rating agency.

The Administrator will be subject to the overview of the Issuer's board of directors.

The Administrator's principal office is P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary based on present law of certain U.S. federal income tax considerations for prospective purchasers of the Notes. It addresses only purchasers that buy in the original offering at the original offering price, hold the Notes as capital assets and, in the case of U.S. Holders (as defined below), use the U.S. dollar as their functional currency. The discussion is a general summary; it is not a substitute for tax advice. The discussion does not consider the circumstances of particular purchasers, some of which (such as banks, insurance companies, entities treated as partnerships for U.S. federal income tax purposes, securities traders and dealers, tax exempt organizations or persons holding the Notes as part of a hedge, straddle, conversion, integrated or constructive sale transaction) are subject to special tax regimes. It does not address U.S. state and local tax matters.

THE STATEMENTS ABOUT U.S. FEDERAL TAX ISSUES ARE MADE TO SUPPORT MARKETING OF THE NOTES. NO TAXPAYER CAN RELY ON THEM TO AVOID TAX PENALTIES. EACH PROSPECTIVE PURCHASER SHOULD SEEK ADVICE FROM AN INDEPENDENT TAX ADVISOR ABOUT THE TAX CONSEQUENCES UNDER ITS OWN PARTICULAR CIRCUMSTANCES OF INVESTING IN NOTES UNDER THE LAWS OF THE CAYMAN ISLANDS, THE UNITED STATES AND ITS CONSTITUENT JURISDICTIONS AND ANY OTHER JURISDICTION WHERE THE PURCHASER MAY BE SUBJECT TO TAXATION.

For purposes of this discussion, a "**Holder**" is a beneficial owner of a Note. A "**U.S. Holder**" is a Holder that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation or other business entity taxable as a corporation for U.S. federal income tax purposes organized in or under the laws of the United States or its political subdivisions, (iii) a trust subject to the control of one or more U.S. persons and the primary supervision of a U.S. court or (iv) an estate the income of which is subject to U.S. federal income taxation regardless of its source. A "**Non-U.S. Holder**" is any Holder other than a U.S. Holder.

The tax consequences to a partner in a partnership holding Notes generally will depend on the status of the partner and the activities of the partnership. Partnerships should consult their own tax advisors about the U.S. federal income tax consequences to their partners of an investment in the Notes.

Notes issued in additional offerings by the Issuer or the Co-Issuer may not be fungible for U.S. federal income tax purposes with the Notes issued in the original offering.

Taxation of the Issuer

The Issuer expects to receive an opinion from Keating Muething & Klekamp PLL, special U.S. federal income tax counsel to the Issuer, that the Issuer will not be engaged in a trade or business within the United States. As long as the Issuer conducts its affairs so that it is not engaged in a trade or business within the United States, its net income will not be subject to U.S. federal income tax under current law.

The Issuer also expects that payments received on the Collateral Obligations and the Eligible Investments generally will not be subject to withholding taxes imposed by the United States or other countries from which such payments are sourced. The Issuer will be subject to a 30% U.S. withholding tax pursuant to FATCA on (x) certain U.S.-source income payments received by the Issuer on or after July 1, 2014 and the proceeds of certain sales received by the Issuer on or after January 1, 2017 with respect to an obligation that is not outstanding on July 1, 2014 (or that is modified after June 30, 2014 in a manner which could cause it to be treated as reissued for U.S. federal income tax purposes or that is treated as equity for U.S. federal income tax purposes) and (y) certain foreign-source passthru payments (still to be defined under FATCA) received by the Issuer on or after January 1, 2017 with respect to an obligation that is not outstanding on or is modified in a manner which could cause it to be treated as reissued after the date that is six months following the issuance of final regulations defining the term "foreign passthru payment" (or that is equity), in each case, unless either (a) there is an effective IGA between the United States and the Cayman Islands that provides an exemption from FATCA to financial institutions resident in the Cayman Islands (as discussed below) or (b) the Issuer has in effect an agreement with the U.S. Internal Revenue Service to (i) obtain information regarding each Holder of its Notes (other than Notes treated as regularly traded on an established securities market) as is necessary to determine which, if any, such Holders are U.S. persons, United

States owned foreign entities or foreign financial institutions, (ii) provide annually to the U.S. Internal Revenue Service the name, address, taxpayer identification number and certain other information with respect to Holders and beneficial owners of Notes (other than Notes that are treated as regularly traded on an established securities market) that are U.S. persons or that are United States owned foreign entities (in which case information must be provided with respect to the entity's "substantial U.S. owners") and (iii) comply with certain other due diligence procedures, U.S. Internal Revenue Service requests, withholding and other requirements. The U.S. Internal Revenue Service recently issued final regulations that provide guidance on the implementation of FATCA including the terms that must be included in, and the procedures for entering into, such an agreement and stated that it, along with the assistance of the U.S. Treasury Department, expects to publish in the near future a revenue procedure setting out the terms of such an agreement to be entered into between foreign financial institutions like the Issuer and the U.S. Internal Revenue Service that are consistent with the final regulations. It is uncertain whether the Issuer will be able to comply with all requirements of such an agreement or legislation implementing an applicable IGA and thus whether the Issuer will be able to avoid the imposition of U.S. withholding tax (starting as early as 2014 as noted above) on certain payments to it.

The United States has recently concluded several IGAs with jurisdictions in respect of FATCA. The Cayman Islands entered into a Model 1 IGA with the United States on November 29, 2013 (which came into force on April 14, 2014). The terms of such IGA are broadly similar to those agreed with the United Kingdom and the Republic of Ireland. Under the terms of such IGA, the Issuer will not be required to enter an agreement with the U.S. Internal Revenue Service, but may instead be required to register with the U.S. Internal Revenue Service to obtain a Global Intermediary Identification Number ("**GIIN**") and then comply with the Cayman Islands Tax Information Law (2013 Revision) (as amended) together with regulations and guidance notes made pursuant to such law that give effect to and provide guidance and detail on the application of such IGA. Upon application of such legislation, it is not yet clear whether the Issuer will be a certified deemed compliant entity with no reporting required or a registered deemed compliant entity which would require the Issuer to report to the Cayman Islands Tax Information Authority, which will exchange such information with the U.S. Internal Revenue Service under the terms of the IGA. To the extent the Issuer cannot be treated as a certified deemed compliant entity, the Issuer would be a "Reporting Cayman Islands Financial Institution" (as defined in the IGA). As such, the Issuer would need to effect registration with the U.S. Internal Revenue Service to obtain a GIIN. Under the terms of the IGA, withholding will not be imposed on payments made to the Issuer, or on payments made by the Issuer to the Noteholders (other than perhaps certain passthru withholding), unless the IRS has specifically listed the Issuer as a non-participating financial institution, or the Issuer has otherwise assumed responsibility for withholding under United States or Cayman Islands tax law.

Payments with respect to Equity Securities likely will be subject to withholding taxes imposed by the United States or other countries from which such payments are sourced. Payments of extension, waiver, amendment and consent fees also may be subject to withholding tax. The extent to which United States or other source-country withholding taxes may apply to the Issuer's income will depend on the actual composition of its assets.

There can be no assurance that the Issuer's income will not be subject to net income, branch profit or withholding taxes in the United States or other countries as the result of unanticipated activities by the Issuer, changes in the Investment Guidelines, changes in law, contrary conclusions by relevant tax authorities or other causes. The imposition of net income, branch profit or withholding taxes could materially impair the Issuer's ability to make payments on the Notes.

Taxation of the Holders

U.S. Taxation of Secured Notes

The Issuer expects to receive an opinion from Keating Muething & Klekamp PLL, special U.S. federal income tax counsel to the Issuer, that the Class A Notes, Class B Notes, Class C Notes and Class D Notes will, and that the Class E Notes should, be treated as debt for U.S. federal income tax purposes. The Issuer intends, and the Indenture provides that each Holder will agree, to treat all of the Secured Notes as debt for such purposes, except that Holders of the Class E Notes will be allowed to make a protective qualified electing fund ("**QEF**") election, and the following discussion assumes that the Secured Notes will be debt. If the Secured Notes instead were to be treated

as equity for U.S. federal income tax purposes, the tax consequences to a U.S. Holder generally would be the same as the tax consequences of holding Subordinated Notes. See "U.S. Taxation of Subordinated Notes" below.

U.S. Holders. Interest paid on a Class A1 Note, Class A-F Note, Class AX Note or Class B Note generally will be includible in the gross income of a U.S. Holder in accordance with its regular method of tax accounting. A U.S. Holder of Class A1 Notes, Class A-F Notes, Class AX Notes or Class B Notes issued with more than de minimis original issue discount ("**OID**") also must include the OID in income on a constant yield to maturity basis whether or not it receives cash payments. The Class A1 Notes, the Class A-F Notes, the Class AX Notes and Class B Notes will have been issued with more than de minimis OID if their stated principal exceeds their issue price by an amount as great as 0.25% of their stated principal *multiplied by* their weighted average maturity.

Because the Issuer has not determined that deferral of interest on the Class C Notes, Class D Notes, Class E Notes is a remote possibility, it will treat all interest on the Class C Notes, Class D Notes and Class E Notes (together with any excess of stated principal over issue price) as OID. A U.S. Holder must include OID in income on a constant yield to maturity basis whether or not it receives a cash payment on any payment date. Even if the likelihood of deferral were remote, a U.S. Holder must accrue OID on the principal amount (including accrued but undistributed OID) of any Notes on which interest actually is deferred.

The timing of accrual of OID on the Secured Notes could be affected by special rules applicable to debt instruments that are subject to principal acceleration due to prepayments on debt obligations that secure them. U.S. Holders should consult their tax advisors about the proper basis for accruing any OID on the Secured Notes.

Assuming the Issuer is not engaged in a U.S. trade or business, interest and OID on the Secured Notes generally will be from sources outside the United States.

A U.S. Holder will recognize gain or loss on the disposition of a Secured Note in an amount equal to the difference between the amount realized (other than accrued but unpaid stated interest) and the U.S. Holder's adjusted tax basis in the Secured Note. A U.S. Holder's adjusted basis in a Secured Note generally will be the amount paid for such Note increased by any OID included in the U.S. Holder's income and reduced by any payments on such Note (other than, in the case of the Class A1 Notes, Class A-F Notes and Class B Notes, payments of stated interest). The gain or loss generally will be capital gain or loss from sources within the United States.

Alternative Treatment. The U.S. Internal Revenue Service may challenge the treatment of the Secured Notes, particularly the Class D Notes and Class E Notes, as debt of the Issuer. If the challenge succeeded, the affected Secured Notes would be treated as equity interests in the Issuer and the U.S. federal income tax consequences of investing in those Secured Notes would be the same as those of investing in the Subordinated Notes.

Non-U.S. Holders. Interest paid to a Non-U.S. Holder will not be subject to U.S. withholding tax as long as the Issuer is not engaged in a U.S. trade or business, except that U.S. withholding tax may apply to payments made after 2016 to certain Holders that do not comply with, or otherwise fail to provide information required by, FATCA. It is expected that generally no withholding tax under FATCA will be imposed if the Issuer complies with the information exchange requirements under the IGA that is to be implemented between the Cayman Islands and the United States. Even if the Issuer were engaged in a U.S. trade or business, interest paid to many Non-U.S. Holders would qualify for an exemption from regular (i.e. other than under FATCA) withholding tax if the holders certify their foreign status. In addition, interest paid to a Non-U.S. Holder will not be subject to U.S. net income tax unless the interest is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States. Gain realized by a Non-U.S. Holder on the redemption or disposition of a Secured Note will not be subject to U.S. tax unless (i) the gain is effectively connected with the Holder's conduct of a U.S. trade or business or (ii) the Holder is an individual present in the United States for at least 183 days during the taxable year of disposition and certain other conditions are met.

U.S. Taxation of Subordinated Notes

U.S. Holders. The Issuer intends, and the Subordinated Note Issuing and Paying Agency Agreement provides that each Holder will agree, to treat the Subordinated Notes as equity in the Issuer for U.S. federal income tax purposes, and the following discussion assumes that the Subordinated Notes will be equity. Subject to the passive foreign investment company ("**PFIC**") rules and the controlled foreign corporation ("**CFC**") rules discussed below, a U.S. Holder generally must treat distributions received with respect to the Subordinated Notes as dividend income. Dividends will not be eligible for the dividends received deduction allowable to corporations or for the preferential tax rate applicable to qualified dividend income of individuals and certain other non-corporate taxpayers. For purposes of determining a U.S. Holder's foreign tax credit limitation, dividends received from a foreign corporation generally are treated as income from sources outside the United States. For this purpose, if U.S. Holders together hold at least half (by vote or value) of the Subordinated Notes and other interests treated as equity in the Issuer, however, a percentage of the dividend income equal to the proportion of the Issuer's income that comes from U.S. sources will be treated as income from sources within the United States. Except as otherwise required by the rules discussed below, gain or loss on the sale or other disposition of the Subordinated Notes will be capital gain or loss. Gain and loss realized by a U.S. Holder generally will be U.S. source income.

The Issuer will be a PFIC. A U.S. Holder therefore will be subject to additional tax on excess distributions received on the Subordinated Notes or gain realized on the disposition of the Subordinated Notes. A U.S. Holder will have an excess distribution if distributions received on the Subordinated Notes during any tax year exceed 125% of the average amount received during the three preceding tax years (or, if shorter, the U.S. Holder's holding period). A U.S. Holder may realize gain for this purpose not only through a sale or other disposition, but also by pledging the Subordinated Notes as security for a loan or entering into certain constructive disposition transactions. To compute the tax on an excess distribution or any gain, (i) the excess distribution or gain is allocated ratably over the U.S. Holder's holding period, (ii) the amount allocated to the current tax year is taxed as ordinary income and (iii) the amount allocated to each previous tax year is taxed at the highest applicable marginal rate for that year and an interest charge is imposed to recover the deemed benefit from the deferred payment of the tax. These rules effectively prevent a U.S. Holder from treating gain on the Subordinated Notes as capital gain.

A U.S. Holder of Subordinated Notes may wish to avoid the tax consequences just described by electing to treat the Issuer as a QEF. If the U.S. Holder makes a QEF election, the U.S. Holder will be required to include in gross income each year, whether or not the Issuer makes distributions, its *pro rata* share of the Issuer's net earnings. That income will be long-term capital gain to the extent of the U.S. Holder's *pro rata* share of the Issuer's net capital gains; the remainder will be ordinary income. Amounts recognized by a U.S. Holder making a QEF election generally are treated as income from sources outside the United States. If U.S. Holders together hold at least half (by vote or value) of the Subordinated Notes and other interests treated as equity in the Issuer, however, a percentage of those amounts equal to the proportion of the Issuer's income that comes from U.S. sources will be treated as income from sources within the United States for purposes of determining a U.S. Holder's foreign tax credit limitation. Because the U.S. Holder has already paid tax on them, the amounts previously included in income will not be subject to tax when they are distributed to the U.S. Holder. An electing U.S. Holder's basis in the Subordinated Notes will increase by any amounts the holder includes in income currently and decrease by any amounts not subject to tax when distributed. The Issuer will provide U.S. Holders of the Subordinated Notes, upon request, with the information needed to make a QEF election. The Issuer may invest in Collateral Obligations that may be treated as equity of other PFICs. In such event, a U.S. Holder of Subordinated Notes must make a separate QEF election with respect to any such other PFIC and the Issuer will provide, to the extent it receives it, the information needed for Holders to make such a QEF election. There can be no assurance that the Issuer will receive any such information.

A U.S. Holder that makes a QEF election will be required to include in income currently its allocable share of the Issuer's net earnings (including OID or market discount) whether or not the Issuer actually makes distributions. A U.S. Holder that makes a QEF election may recognize income in amounts significantly greater than the distributions received from the Issuer. Income may exceed distributions when, for example, the Issuer uses earnings to repay principal on the Secured Notes, accrues OID or market discount on Collateral Obligations, reinvests a portion of its income or has cancellation of indebtedness income arising in connection with any Re-Pricing. The holder may be able to elect to defer payment, subject to an interest charge for the deferral period, of the tax on income recognized on account of the QEF election. PROSPECTIVE PURCHASERS SHOULD CONSULT

THEIR TAX ADVISORS ABOUT THE ADVISABILITY OF MAKING THE QEF AND DEFERRED PAYMENT ELECTIONS.

The Issuer also may be a CFC if U.S. Holders that each own (directly, indirectly or by attribution) at least 10% of the Subordinated Notes and any other interests considered to represent voting equity in the Issuer (each such U.S. Holder, a "**10% U.S. Shareholder**") together own more than half (by vote or value) of the Subordinated Notes and any other interests considered to represent equity in the Issuer.

If the Issuer is a CFC, a 10% U.S. Shareholder generally will be subject to the CFC rules rather than the PFIC rules, and other U.S. Holders will be subject to the PFIC rules. If the Issuer is a CFC for at least 30 consecutive days during its taxable year, a U.S. Holder that is a 10% U.S. Shareholder on the last day of the Issuer's taxable year must recognize ordinary income equal to its allocable share of the Issuer's net earnings for the tax year whether or not the Issuer makes a distribution. That income may exceed distributions for the same reasons QEF inclusions may exceed distributions. For purposes of determining a 10% U.S. Shareholder's foreign tax credit limitation, the income will be treated as income from sources within the United States to the extent the Issuer derived it from U.S. sources. Earnings on which a U.S. Holder that is a 10% U.S. Shareholder pays tax currently will not be taxed again when they are distributed to the U.S. Holder. Such U.S. Holder's basis in its interest in the Issuer will increase by any amounts the holder includes in income currently and decrease by any amounts not subject to tax when distributed. If the Issuer is a CFC, (i) the Issuer will incur U.S. withholding tax on interest received from a related United States person, (ii) special reporting rules will apply to directors of the Issuer and certain other persons and (iii) certain other restrictions may apply. Subject to a special limitation for individual U.S. Holders that have held interests treated as voting equity in the Issuer for more than one year, gain from disposition of interests treated as equity interests in the Issuer recognized by a U.S. Holder that is or recently has been a 10% U.S. Shareholder will be treated as dividend income to the extent earnings attributable to the interests accumulated while the U.S. Holder held the interests and the Issuer was a CFC.

U.S. Holders generally must report, with their tax return for the tax year that includes the Closing Date, certain information relating to their purchase of the Subordinated Notes. A U.S. Holder may be required specifically to disclose any loss on the Subordinated Notes on its tax return under regulations related to tax shelter transactions. When a U.S. Holder holds 10% of the shares in a CFC or QEF, the holder also must disclose any Issuer transactions reportable under those regulations. Legislation enacted in recent years may add additional reporting requirements. U.S. Holders are urged to consult their tax advisors about these and all other specific reporting requirements. There are very substantial penalties for failure to comply.

Non-U.S. Holders. Payments to a Non-U.S. Holder of Subordinated Notes will not be subject to U.S. tax unless the income is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States, except that U.S. withholding tax may apply to payments made after 2016 to certain Holders that do not comply with, or otherwise fail to provide information required by, FATCA. It is expected that generally no withholding tax under FATCA will be imposed if the Issuer complies with the information exchange requirements under the IGA that is to be implemented between the Cayman Islands and the United States. Gain realized by a Non-U.S. Holder on the sale or other disposition of the Subordinated Notes will not be subject to U.S. tax unless (i) the gain is effectively connected with the Holder's conduct of a U.S. trade or business or (ii) the Holder is an individual present in the United States for at least 183 days during the taxable year of disposition and certain other conditions are met.

Effect of Re-Pricing

The treatment of a Re-Pricing of any Class of Secured Notes for U.S. federal income tax purposes is not entirely clear. It is possible that the Re-Pricing will be treated as occurring pursuant to a unilateral option of the Issuer. In that event, the Re-Pricing would not result in a deemed exchange of the Secured Notes of any Re-Priced Class for new Notes. It is more likely, however, that a Re-Pricing will be treated as a deemed exchange of the Secured Notes of each applicable Re-Priced Class for new Notes of the Re-Priced Class. In that event, a U.S. Holder may be required to recognize gain or loss with respect to the Secured Notes that are part of the Re-Priced Class. This gain or loss would be equal to the difference between the issue price of the deemed new Notes, which may be either the principal amount of such deemed new Notes or, if such Notes are treated as traded on an

established market, the fair market value of such deemed new Notes, and the U.S. Holder's tax basis in the Secured Notes that are part of the Re-Priced Class at the Re-Pricing Date.

In the event that the stated redemption price at maturity of the deemed new Notes of a Re-Priced Class is greater than the issue price of such Notes, a U.S. Holder of such new Notes may be required to include additional OID in income as a result of the Re-Pricing. In the event that the issue price of the deemed new Notes of the Re-Priced Class is less than the principal amount of such Notes, the Issuer may be required to recognize cancellation of indebtedness income. As a result, a U.S. Holder of the Subordinated Notes may be required to take into account an amount up to its pro-rata share of the Issuer's cancellation of indebtedness income if such Holder has in effect a QEF election or, in certain circumstances, if the Holder is a 10% U.S. Shareholder (as defined below) of the Issuer. Each prospective investor should consult its own tax advisor regarding the tax consequences of a Re-Pricing.

Medicare Contribution Tax on Net Investment Income

For tax years beginning after December 31, 2012, the "net investment income" of certain individuals, estates and trusts is subject to a 3.8% Medicare contribution tax. The time at which income with respect to the Subordinated Notes is taken into account for purposes of computing this tax may differ from the time at which it is taken into account for purposes of the US federal income tax. Whether the time will differ will depend on how the activities of the Issuer are characterized for such purposes and on elections made by the holder. Provided that the Issuer is not classified as a trader in securities or commodities, QEF or Subpart F inclusions in respect of the Subordinated Notes generally will not be includible in "net investment income" at the time such amounts otherwise are includible in ordinary income by a U.S. Holder. Instead, distributions on the Subordinated Notes received by certain individuals, estates and trusts generally will be includible in "net investment income", even though such distributions otherwise are not taxable to U.S. Holders as ordinary income. Under recently issued U.S. treasury regulations, a U.S. Holder may elect to compute investment income from an interest in a QEF or CFC for purposes of the Medicare contribution tax in the same manner as inclusions, distributions and gain or loss are determined for ordinary income tax purposes. Under these regulations, once such an election is made with respect to a QEF or CFC, it cannot be revoked. U.S. Holders making QEF elections or required to include income under the CFC inclusion rules as a 10% U.S. Shareholder should consult their own tax advisors with respect to the tax consequences to them of income inclusions and receipt of distributions with respect to the Subordinated Notes for purposes of the Medicare contribution tax.

U.S. Information Reporting and Backup Withholding

Payments and accruals of OID on the Notes and proceeds from the disposition of the Notes paid to a non-corporate Holder generally will be subject to U.S. information reporting. Payments to Non-U.S. Holders that provide certification of foreign status generally are exempt from information reporting. Backup withholding tax may apply to reportable payments and payments of OID unless the Holder provides a correct taxpayer identification number or otherwise establishes an exemption. Any amount withheld may be credited against a Holder's U.S. federal income tax liability or refunded to the extent it exceeds the Holder's liability.

Legislation enacted in 2010 requires certain U.S. Holders to report information with respect to their investment in Notes not held through an account with a financial institution to the U.S. Internal Revenue Service. Investors who fail to report required information could become subject to substantial penalties. Potential investors are encouraged to consult with their own tax advisors regarding the possible implications of this legislation for their investment in the Notes.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE IMPORTANT TO A PARTICULAR INVESTOR. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE INVESTOR'S OWN CIRCUMSTANCES.

CAYMAN ISLANDS INCOME TAX CONSIDERATIONS

The following is a discussion of certain Cayman Islands tax consequences of an investment in the Notes. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider your particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands Laws:

(i) Payments of interest, principal and other amounts on the Secured Notes and amounts in respect of the Subordinated Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal and other amounts on the Secured Notes or a distribution to any holder of the Subordinated Notes, nor will gains derived from the disposal of the Notes be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax;

(ii) no stamp duty is payable in respect of the issue or transfer of the Notes although duty may be payable if Notes are executed in or brought into the Cayman Islands; and

(iii) Certificates evidencing the Notes, in registered form, to which title is not transferable by delivery, should not attract Cayman Islands stamp duty. However, an instrument transferring title to a Note, if brought to or executed in the Cayman Islands, would be subject to Cayman Islands stamp duty.

The Issuer has been incorporated as an exempted company with limited liability under the laws of the Cayman Islands and, as such, has received an undertaking from the Governor in Cabinet of the Cayman Islands in the following form:

"**The Tax Concessions Law**
(2011 Revision)
Undertaking As To Tax Concessions

In accordance with the provision of Section 6 of the Tax Concession Law (2011 Revision) the Governor in Cabinet undertakes with:

AMMC CLO 16, Limited "the Company"

(a) that no Law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and

(b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable

(i) on or in respect of the shares debentures or other obligations of the Company; or

(ii) by way of the withholding in whole or part of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (2011 Revision).

These concessions shall be for a period of TWENTY years from the 9th day of December 2014.

GOVERNOR IN CABINET"

The Cayman Islands does not have an income tax treaty arrangement with the United States or any other country; however, the Cayman Islands has entered into a tax disclosure agreement with the United States.

CERTAIN ERISA AND RELATED CONSIDERATIONS

THE STATEMENTS ABOUT U.S. FEDERAL TAX ISSUES ARE MADE TO SUPPORT MARKETING OF THE NOTES. NO TAXPAYER CAN RELY ON THEM TO AVOID TAX PENALTIES. EACH PROSPECTIVE PURCHASER SHOULD SEEK ADVICE FROM AN INDEPENDENT TAX ADVISOR ABOUT THE TAX CONSEQUENCES UNDER ITS OWN PARTICULAR CIRCUMSTANCES OF INVESTING IN NOTES UNDER THE LAWS OF THE CAYMAN ISLANDS, THE UNITED STATES AND ITS CONSTITUENT JURISDICTIONS AND ANY OTHER JURISDICTION WHERE THE PURCHASER MAY BE SUBJECT TO TAXATION.

The United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) which are subject to Title I of ERISA, including entities (such as collective investment funds) and accounts (including insurance company general accounts and separate accounts) whose underlying assets include the assets of such plans (collectively, "**ERISA Plans**") and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA 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 including, but not limited to, the matters discussed under "Risk Factors" and the fact that in the future there may be no market in which such fiduciary will be able to sell or otherwise dispose of the Notes.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts and entities whose underlying assets include the assets of such plans (together with ERISA Plans, "**Benefit Plan Investors**") and certain persons ("parties in interest" as defined in Section 3(14) of ERISA (each a "**Party in Interest**") for purposes of ERISA or "disqualified persons" as defined in Section 4975(e)(2) of the Code (each a "**Disqualified Person**") for purposes of Section 4975 of the Code) having certain relationships to such Benefit Plan Investors, unless a statutory or administrative exemption is applicable to the transaction. A Party in Interest or Disqualified Person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code.

The Plan Asset Regulation describes what constitutes the assets of a Benefit Plan Investor with respect to the Benefit Plan Investor's investment in an entity for purposes of certain provisions of ERISA and Section 4975 of the Code, including the fiduciary responsibility and prohibited transaction provisions of Title I of ERISA and Section 4975 of the Code. Under the Plan Asset Regulation, if a Benefit Plan Investor 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 Benefit Plan Investor's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established that the entity is an "operating company" or, as further discussed below, that participation in the entity by Benefit Plan Investors constitutes less than 25% of each class of equity in the entity, determined in accordance with Section 3(42) of ERISA.

For purposes of the Plan Asset Regulation, a "publicly offered security" is a security that is (a) "freely transferable", (b) part of a class of securities that is "widely held", and (c)(i) sold to the Benefit Plan Investor as part of an offering of securities to the public pursuant to an effective registration statement under the Securities Act and the class of securities to which such security is a part is registered under the Exchange Act within 120 days after the end of the fiscal year of the issuer during which the offering of such securities to the public has occurred, or (ii) is part of a class of securities that is registered under Section 12 of the Exchange Act.

It is not anticipated that (i) the Notes will constitute "publicly offered securities" for purposes of the Plan Asset Regulation, (ii) the Issuer and/or Co-Issuer will be an investment company registered under the Investment Company Act or (iii) the Issuer and/or Co-Issuer will qualify as an operating company within the meaning of the Plan Asset Regulation.

Whether or not the underlying assets of the Issuer and/or Co-Issuer are deemed to include "plan assets," as described below, prohibited transactions within the meaning of Section 406 of ERISA or Section 4975 of the Code may arise if Notes are acquired with the assets of a Benefit Plan Investor with respect to which the Issuer and/or Co-Issuer, as applicable, Jefferies, the Trustee, the Subordinated Note Issuing and Paying Agent, the Collateral Manager, any seller of Collateral Obligations to the Issuer and/or Co-Issuer, as applicable, or any of their respective Affiliates, is a Party in Interest or a Disqualified Person. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, depending in part on the type of Benefit Plan Investor fiduciary making the decision to acquire a Note and the circumstances under which such decision is made. Included among these exemptions are Prohibited Transaction Class Exemption ("**PTCE**") 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by a "qualified professional asset manager"), PTCE 90-1 (relating to investments by insurance company pooled separate accounts), PTCE 95-60 (relating to investments by insurance company general accounts), and PTCE 96-23 (relating to transactions effected by in-house asset managers). Even if one or more exemptions is available, there can be no assurance that relief will be provided from all prohibited transactions that may result if any Note or any interest therein is acquired or held by a Benefit Plan Investor.

Governmental plans, certain church plans and non-U.S. plans, while not subject to the prohibited transaction provisions of ERISA or Section 4975 of the Code, may nevertheless be subject to other state, local, other federal or non-U.S. laws or regulations that are substantially similar to the foregoing provisions of ERISA and the Code (any such law or regulation, a "**Similar Law**"). Fiduciaries of any such plans should consult with their counsel before acquiring any Notes.

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 which has no substantial equity features. The assets of an entity will be deemed to be the assets of an investing Benefit Plan Investor (in the absence of another applicable Plan Asset Regulation exception) if 25% or more of the value of any class of equity interest in the entity is held by Benefit Plan Investors as calculated under the Plan Asset Regulation (the "**25% Limitation**"). An entity that is treated as holding plan assets for purposes of the Plan Asset Regulation is considered to hold plan assets only to the extent of the percentage of the equity interest held by Benefit Plan Investors. For purposes of making the 25% determination, the Plan Asset Regulation provides that the value of any equity interests held by a person (other than a Benefit Plan Investor) who has discretionary authority or control with respect to the assets of the entity 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 (each, a "**Controlling Person**"), is disregarded. Under the Plan Asset Regulation, 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, and "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.

Although there is little guidance on how this definition applies, the Issuer and the Co-Issuer believe that the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be treated as indebtedness without substantial equity features for purposes of the Plan Asset Regulation, although no assurance can be given in this regard. However, the Secured Notes that are ERISA Restricted Notes may, and the Subordinated Notes will likely, be treated as equity interests in the Issuer for purposes of the Plan Asset Regulation. Accordingly, in an effort to avoid issues that could arise if the assets of the Issuer were to be treated as plan assets for purposes of ERISA or Section 4975 of the Code, the ERISA Restricted Notes will be subject to restrictions on ownership by Benefit Plan Investors and Controlling Persons.

If you are a purchaser or transferee of Class A Notes, Class B Notes, Class C Notes or Class D Notes, you will be required or deemed (i) to represent, warrant and agree that (1) if you are, or are acting on behalf of, a Benefit Plan Investor, your acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code, and (2) if you are a governmental, church, non-U.S. or other plan which is subject to any Similar Law, your acquisition, holding and disposition of such Notes will not constitute or result in a violation of any such Similar Law.

If you are (A) a purchaser or subsequent transferee of ERISA Restricted Certificated Notes or (B) a purchaser of a Closing Date ERISA Note in the form of a Global Note, you will be required to (i) represent and

warrant in writing to the Trustee or the Subordinated Note Issuing and Paying Agent, as applicable, (1) whether or not, for so long as you hold such Notes or interest herein, you are, or are acting on behalf of, a Benefit Plan Investor, (2) whether or not, for so long as you hold such Notes or interest therein, you are a Controlling Person and (3) that (a) if you are, or are acting on behalf of, a Benefit Plan Investor, your acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or (b) if you are a governmental, church or non-U.S. plan, (x) you are not, and for so long as you hold such Notes or interest therein will not be, subject to any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or 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 Similar Law and (y) your acquisition, holding and disposition of such Notes will not constitute or result in a violation of any applicable Similar Law.

If you are a purchaser or subsequent transferee of an interest in an ERISA Restricted Note in the form of a Global Note (other than a purchaser on the Closing Date of a Closing Date ERISA Note), you will be deemed to have represented and agreed that (1) for so long as you hold such Notes or interest therein, you are not, and are not acting on behalf of, a Benefit Plan Investor and are not a Controlling Person and (2) if you are a governmental, church, non-U.S. or other plan, (i) you are not, and for so long as you hold such Notes or interest therein will not be subject to any Similar Law and (ii) your acquisition, holding and disposition of such Notes will not constitute or result in a violation of any applicable Similar Law.

No transfer of an interest in ERISA Restricted Notes will be permitted or recognized if it would cause the 25% Limitation described above to be exceeded with respect to the relevant Class of ERISA Restricted Notes. No transfer of an interest in an ERISA Restricted Note in the form of a Global Note (other than a transfer on the Closing Date of a Closing Date ERISA Note) to a person that is a Benefit Plan Investor or a Controlling Person will be permitted or recognized.

If any person shall become the beneficial owner of a Note who has made or is deemed to have made a 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% Limitation (any such person a "**Non-Permitted ERISA Holder**"), the Issuer shall, promptly after discovery that such person is a Non-Permitted ERISA Holder by the Issuer (or upon notice to the Issuer from the Trustee or the Subordinated Note Issuing and Paying Agent, as applicable, if it obtains actual knowledge or the Co-Issuer if it makes the discovery), send notice to such Non-Permitted ERISA Holder demanding that such Non-Permitted ERISA Holder transfer its interest to a person that is not a Non-Permitted ERISA Holder within 20 days after the date of such notice. If such Non-Permitted ERISA Holder fails to so transfer its interest in such Notes, the Issuer or the Collateral Manager acting for the Issuer shall have the right, without further notice to the Non-Permitted ERISA Holder, to sell its interest in such Notes to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Holder on such terms as the Issuer may choose. The Issuer or the Collateral Manager acting on behalf of the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Notes, as applicable, and selling such Notes, as applicable, to the highest such bidder. The holder of each Note, as applicable, the Non-Permitted ERISA Holder and each other person in the chain of title from the holder to the Non-Permitted ERISA Holder, by its acceptance of an interest in the Notes agrees to cooperate with the Issuer to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the Non-Permitted ERISA Holder. The terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and none of the Issuer, the Co-Issuer, the Trustee, the Subordinated Note Issuing and Paying Agent, the Subordinated Note Registrar, the Secured Note Registrar or the Collateral Manager 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.

Further considerations

There can be no assurance that, despite the transfer restrictions relating to acquisitions by Benefit Plan Investors and Controlling Persons and the procedures to be employed by the Issuer to attempt to limit ownership by Benefit Plan Investors of each Class of ERISA Restricted Notes to less than 25%, Benefit Plan Investors will not in

actuality own 25% or more of any Class of outstanding ERISA Restricted Notes, disregarding Notes held by Controlling Persons.

If for any reason the assets of the Issuer and/or Co-Issuer, as applicable, were deemed to be "plan assets" of a Benefit Plan Investor, certain transactions that the Issuer and/or Co-Issuer might enter into, or may have entered into, in the ordinary course of its business might constitute non-exempt "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code and might have to be rescinded at significant cost to the Issuer and/or Co-Issuer, as applicable. The Collateral Manager, on behalf of the Issuer and/or Co-Issuer, may be prevented from engaging in certain investments or other transactions or fee arrangements because they might be deemed to cause non-exempt prohibited transactions. Moreover, if the underlying assets of the Issuer and/or Co-Issuer were deemed to be assets constituting plan assets, (i) the assets of the Issuer and/or Co-Issuer could be subject to ERISA's reporting and disclosure requirements, (ii) a fiduciary causing a Benefit Plan Investor to make an investment in the equity of the Issuer and/or Co-Issuer could be deemed to have delegated its responsibility to manage the assets of the Benefit Plan Investor to the Issuer and/or Co-Issuer, (iii) various providers of fiduciary or other services to the Issuer and/or Co-Issuer, and any other parties with authority or control with respect to the Issuer and/or Co-Issuer, could be deemed to be Benefit Plan Investor fiduciaries or otherwise Parties in Interest or Disqualified Persons by virtue of their provision of such services, and (iv) it is not clear that Section 404(b) of ERISA, which generally prohibits fiduciaries from maintaining the indicia of ownership of assets of Benefit Plan Investors subject to Title I of ERISA outside the jurisdiction of the district courts of the United States, would be satisfied in all instances.

Any Benefit Plan Investor fiduciary or other person who proposes to use assets of any Benefit Plan Investor to acquire any Notes should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment, and to confirm that such investment will not constitute or result in a non-exempt prohibited transaction or any other violation of an applicable requirement of ERISA.

The sale of any Notes to a Benefit Plan Investor, or to a person using assets of any Benefit Plan Investor to effect its acquisition of any Notes, is in no respect a representation by the Issuer, the Co-Issuer, Jefferies, the Trustee, the Subordinated Note Issuing and Paying Agent, the Collateral Administrator or the Collateral Manager that such an investment meets all relevant legal requirements with respect to investments by Benefit Plan Investors generally or any particular Benefit Plan Investor, or that such an investment is appropriate for Benefit Plan Investors generally or any particular Benefit Plan Investor.

ANY POTENTIAL INVESTOR CONSIDERING AN INVESTMENT IN THE NOTES THAT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR IS STRONGLY URGED TO CONSULT ITS OWN LEGAL AND TAX ADVISORS REGARDING THE CONSEQUENCES OF SUCH AN INVESTMENT UNDER ERISA, THE CODE AND ANY APPLICABLE SIMILAR LAW AND ITS ABILITY TO MAKE THE REPRESENTATIONS DESCRIBED ABOVE.

Legal investment considerations

If your investment activities are subject to regulation by federal, state or local law or governmental authorities you should review the applicable laws and/or rules, policies and guidelines adopted from time to time by such authorities before purchasing any Notes. No representation is made as to the proper characterization of the Notes for legal investment or other purposes or as to the ability of particular investors to purchase any Notes under applicable law or other legal investment restrictions. Accordingly, if your investment activities are subject to such laws and/or regulations, regulatory capital requirements or review by regulatory authorities you should consult your own legal advisors in determining whether and to what extent the Notes constitute a legal investment or are subject to investment, capital or other restrictions.

None of the Issuer, the Co-Issuer, the Collateral Manager, Jefferies, the Trustee, the Subordinated Note Issuing and Paying Agent or the Collateral Administrator make any representation as to the proper characterization of the Notes for legal investment or other purposes, as to the ability of particular investors to purchase the Notes for legal investment or other purposes or as to the ability of particular investors to purchase the Notes under applicable investment restrictions. All institutions whose activities are subject to legal investment laws and regulations,

regulatory capital requirements or review by regulatory authorities should consult their own legal advisors in determining whether and to what extent the Notes are subject to investment, capital or other restrictions. Without limiting the generality of the foregoing, none of the Issuer, the Co-Issuer, the Collateral Manager, Jefferies, the Trustee, the Subordinated Note Issuing and Paying Agent or the Collateral Administrator makes any representation as to the characterization of the Notes as a U.S.-domestic or foreign (non-U.S.) investment under any state insurance code or related regulations, and they are not aware of any published precedent that addresses such characterization. The uncertainties described above (and any unfavorable future determinations concerning legal investment or financial institution regulatory characteristics of the Notes) may affect the liquidity of the Notes.

ANTI-MONEY LAUNDERING AND ANTI-TERRORISM REQUIREMENTS AND DISCLOSURES

In order to comply with U.S. laws and regulations, including the USA PATRIOT Act, aimed at the prevention of money laundering and the prohibition of transactions with certain countries, organizations and individuals, the Issuer (or the Initial Purchaser on its behalf) may request from an investor or a prospective investor such information as it reasonably believes is necessary to verify the identity of such investor or prospective investor, and to determine whether such investor or prospective investor is permitted to be an investor in the Issuer or the Notes pursuant to such laws and regulations. In the event of the delay or failure by any investor or prospective investor in the Notes to deliver to the Issuer any such requested information, the Issuer (or the Initial Purchaser on its behalf) may (a) require such investor to immediately transfer any Note, or beneficial interest therein, held by such investor to an investor meeting the requirements of this Offering Circular and the Indenture, (b) refuse to accept the subscription of a prospective investor, or (c) take any other action required to comply with such laws and regulations. In addition, following the delivery of any such information, the Issuer (or the Initial Purchaser on its behalf) may take any of the actions identified in clauses (a)-(c) above. In certain circumstances, the Issuer, the Trustee, the Subordinated Note Issuing and Paying Agent or the Initial Purchaser may be required to provide information about investors to regulatory authorities and to take any further action as may be required by law. None of the Issuer, the Co-Issuer, the Trustee, the Collateral Administrator, the Collateral Manager, the Initial Purchaser will be liable for any loss or injury to an investor or prospective investor that may occur as a result of disclosing such information, refusing to accept the subscription of any potential investor, redeeming any investment in a Note or taking any other action required by law.

PLAN OF DISTRIBUTION

The Notes are offered by and through the Initial Purchaser as set forth herein and pursuant to the terms of the Note Purchase Agreement, subject, in each case, to prior sale when, as and if issued. Jefferies will act as lead manager, sole book-runner and initial purchaser with respect to all of the Notes. The Initial Purchaser reserves the right to withdraw, cancel or modify such offer and to reject orders in whole or in part. The Notes purchased by the Initial Purchaser will be resold to prospective purchasers from time to time in negotiated transactions at varying prices to be determined in each case at the time of sale. It is expected that the Notes will be delivered to investors on or about the Closing Date against payment therefor in immediately available funds.

Each prospective investor should note that its account representative at Jefferies will receive compensation in connection with the sale of a Note to such investor. In addition, certain Persons (including brokers, dealers, solicitors and agents) may introduce and act as continuing liaison with certain investors of the Issuer. In such instances, the Initial Purchaser generally will pay a portion of the compensation it receives from the Issuer to the Persons providing the introduction and liaison services.

The Note Purchase Agreement among the Co-Issuers and the Initial Purchaser (the "**Note Purchase Agreement**") will provide that the obligations of the Initial Purchaser to purchase Notes are subject to certain conditions.

In the Note Purchase Agreement, each of the Co-Issuers will agree, jointly and severally, to indemnify the Initial Purchaser against certain liabilities, including under the Securities Act, the Exchange Act or otherwise, insofar as such liabilities arise out of or are based upon (1) untrue statements or alleged untrue statements of material facts in this Offering Circular, in preliminary or final form, or amendments thereto, or based upon omissions or alleged omissions to state in such offering documents a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (excluding, in each case, untrue statements or omissions contained in (w) the information provided in the last paragraph of the cover page of this Offering Circular that relates to the resale of the Notes by the Initial Purchaser at varying prices, (x) the section of the Offering Circular entitled "Stabilization", (y) the section of the Offering Circular entitled "Risk Factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving Jefferies and its affiliates" and (z) the section of the Offering Circular entitled "Plan of Distribution") and (2) any breach or non-compliance by the Co-Issuers of or with any representations, warranties or agreements contained in the Note Purchase Agreement or any other Transaction Document or agreement in connection therewith. In addition, the Issuer will agree to reimburse the Initial Purchaser for certain of its expenses incurred in connection with the closing of the transactions contemplated hereby.

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold in non-offshore transactions except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

No action has been taken or is being contemplated by the Issuer or the Co-Issuers, as applicable, that would permit a public offering of the Notes or possession or distribution of this Offering Circular or any amendment thereof, or supplement thereto or any other offering material relating to the Notes in any jurisdiction (other than Ireland) where, or in any other circumstances in which, action for those purposes is required. Nothing in this Offering Circular will constitute an offer to sell or a solicitation of an offer to purchase any securities in any jurisdiction where it is unlawful to do so absent the taking of the action or the availability of an exemption therefrom. For certain restrictions on resale of the Notes, see "Transfer Restrictions." Because of such restrictions and the restrictions contained in the front of this Offering Circular, you are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Notes.

In the Note Purchase Agreement, the Initial Purchaser will agree that it or one or more of its Affiliates will sell or arrange for the sale (as applicable) of the Notes only to or with, in each case, (i) non-U.S. persons in offshore transactions in reliance on Regulation S and (ii) in the United States to persons that are (A) Qualified Institutional Buyers and Qualified Purchasers (or entities owned or beneficially owned exclusively by Qualified Purchasers), or (B) in the case of the Class E Notes and the Subordinated Notes only, either (x) Institutional Accredited Investors

that are Qualified Purchasers (or entities owned or beneficially owned exclusively by Qualified Purchasers) or (y) Accredited Investors that are Knowledgeable Employees (or entities owned exclusively by Knowledgeable Employees) with respect to the Issuer. Until 40 days after completion of the distribution by the Issuer, an offer or sale of the Notes in a non-offshore transaction by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if the offer or sale is made otherwise than pursuant to Rule 144A or a transaction exempt from the registration requirements under the Securities Act. Resales of the Notes offered in reliance on Rule 144A or in another transaction exempt from the registration requirements under the Securities Act, as the case may be, are restricted as described under "Transfer Restrictions". Beneficial interests in a Regulation S Global Note may not be held by a U.S. person at any time, and resales of the Notes offered in offshore transactions to non-U.S. persons in reliance on Regulation S may be effected only in accordance with the transfer restrictions described herein. As used in this paragraph, the terms "United States" and "U.S." have the meanings given to them by Regulation S.

In addition, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if the offer or sale is made otherwise than in accordance with Rule 144A under the Securities Act.

The Initial Purchaser and its Affiliates may have had in the past and may in the future have business relationships and dealings with the Collateral Manager and its Affiliates and one or more obligors with respect to Collateral Obligations and their Affiliates and may own equity or debt securities issued by such entities or their Affiliates. The Initial Purchaser and its Affiliates may have provided and may in the future provide investment banking services to such entities or their Affiliates and may have received or may receive compensation for such services.

The Notes are offered when, as and if issued, subject to prior sale or withdrawal, cancellation or modification of the offer without notice and subject to approval of certain legal matters by counsel and certain other conditions.

The Notes are a new issue of securities for which there is currently no market. There can be no assurance that a secondary market for any Class of Notes will develop, or if one does develop, that it will continue. Jefferies has no obligation to make a market in any Class of Notes and any market making activity, if commenced, may be discontinued at any time. Accordingly, no assurance can be given as to the liquidity of or trading market for the Notes.

In connection with the offering of the Notes, Jefferies may, as permitted by applicable law, over-allot or effect transactions that stabilize or maintain the market price of the Notes at a level which might not otherwise prevail in the open market. The stabilizing, if commenced, may be discontinued at any time.

Jefferies will represent, warrant and agree in the Note Purchase Agreement that it has not made and will not make any invitation to the public in the Cayman Islands to subscribe for the Notes.

Notice to Prospective Investors in the European Economic Area

In relation to each Relevant Member State, Jefferies has represented and agreed that with effect from and including the Relevant Implementation Date it has not made and will not make an offer of Notes to the public which are the subject of this Offering Circular other than:

- to any legal entity that is a "qualified investor" as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Notes shall require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or a supplemental prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in 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 the Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

Notice to Prospective Investors in the United Kingdom

Within the United Kingdom this Offering Circular is only being distributed to, and is only directed at, professionals or other persons in circumstances in which Section 21(1) of the Financial Services and Markets Act 2000 (as amended) does not apply to the Issuer (all such persons together being referred to as "**relevant persons**"). This Offering Circular may not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offering Circular relates is available only to relevant persons and will be engaged in only with relevant persons.

Notice to Prospective Investors in France

Neither this Offering Circular nor any other offering material relating to the Notes has been submitted to the clearance procedures of the *Autorité des Marchés Financiers* or of the competent authority of another member state of the European Economic Area and notified to the *Autorité des Marchés Financiers*. The Notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this Offering Circular nor any other offering material relating to the Notes has been or will be:

- released, issued, distributed or caused to be released, issued or distributed to the public in France; or
- used in connection with any offer for subscription or sale of the Notes to the public in France.

Such offers, sales and distributions will be made in France only:

- to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*), in each case investing for their own account, all as defined in, and in accordance with, articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*;
- to investment services providers authorized to engage in portfolio management on behalf of third parties; or
- in a transaction that, in accordance with article L.411-2-II-1°-or-2°-or 3° of the French *Code monétaire et financier* and article 211-2 of the General Regulations (*Règlement Général*) of the *Autorité des Marchés Financiers*, does not constitute a public offer (*appel public à l'épargne*).

The Notes may be resold, directly or indirectly, only in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French *Code monétaire et financier*.

Notice to Prospective Investors in Italy

The Notes will not be offered, sold or delivered, and copies of this Offering Circular or any other document relating to the Notes will not be distributed, in the Republic of Italy unless such offer, sale or delivery of Notes or

distribution of copies of this Offering Circular or any other document relating to the Notes in the Republic of Italy is:

- made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September, 1993 (the "**Banking Act**"), the Financial Services Act, Regulation 11522 and any other applicable laws and regulations; and

- in compliance with any and all other applicable laws and regulations.

Notice to Prospective Investors in Ireland

The Notes will not be underwritten or placed otherwise than in conformity with the provisions of the Investment Intermediaries Act, 1995 of Ireland, as amended, including, without limitation, Sections 9 and 23 (including advertising restrictions made thereunder) thereof and the codes of conduct made under Section 37 thereof or, in the case of a credit institution exercising its rights under the Banking Consolidation Directive (2000/12/EC of 20th March, 2000) in conformity with the codes of conduct or practice made under Section 117(1) of the Central Bank Act, 1989, of Ireland, as amended.

In connection with offers or sales of the Notes, each of the Co-Issuers and the Initial Purchaser has only issued or passed on, and will only issue or pass on, in Ireland, any document received by it in connection with the issue of the Notes to persons who are persons to whom the documents may otherwise lawfully be issued or passed on.

In respect of a local offer (within the meaning of Section 38(1) of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 of Ireland (the "**2005 Act**")) of securities in Ireland, Section 49 of the 2005 Act has been complied with and will be complied with.

Notice to Prospective Investors in Japan

The Notes have not been registered under the Financial Instruments and Exchange Law of Japan. The Notes have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to or for the account of any resident of Japan, except (i) pursuant to an exemption from the registration requirements of the Financial Instruments and Exchange Law and (ii) in compliance with any other applicable requirements of Japanese law.

CERTAIN LEGAL INVESTMENT CONSIDERATIONS

Institutions whose investment activities are subject to legal investment laws and regulations or to review by certain regulatory authorities may be subject to restrictions on investments in the Notes. Any such institution should consult its legal advisors in determining whether and to what extent there may be restrictions on its ability to invest in the Notes. Without limiting the foregoing, any financial institution that is subject to the jurisdiction of the Comptroller of Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, the National Credit Union Administration, any state insurance commission, or any other federal or state agencies with similar authority should review any applicable rules, guidelines and regulations prior to purchasing the Notes. Depository institutions should review and consider the applicability of the Federal Financial Institutions Examination Council Supervisory Policy Statement on Securities Activities, which has been adopted by the respective federal regulators.

None of the Co-Issuers, the Collateral Manager, the Trustee, the Collateral Administrator, the Subordinated Note Issuing and Paying Agent or Jefferies make any representation as to the proper characterization of the Notes for legal investment or other purposes, or as to the ability of particular investors to purchase Notes for legal investment or other purposes or as to the ability of particular investors to purchase Notes under applicable investment restrictions. The uncertainties described above (and any unfavorable future determinations concerning legal investment or financial institution regulatory characteristics of the Notes) may affect the liquidity of the Notes. Accordingly, all institutions whose investment activities are subject to legal investment laws and regulations, regulatory capital requirements or review by regulatory authorities should consult their own legal advisors in determining whether and to what extent the Notes are subject to investment, capital or other restrictions.

Without limiting the generality of the foregoing, none of the Co-Issuers, the Collateral Manager, the Trustee or Jefferies makes any representation as to the characterization of the Notes as a U.S. domestic or foreign (non-U.S.) investment under any state insurance code or related regulations, and they are not aware of any published precedent that addresses such characterization. The uncertainties described above (and any unfavorable future determinations concerning legal investment or financial institution regulatory characteristics of the Notes) may affect the liquidity of the Notes.

TRANSFER RESTRICTIONS

Because of the following restrictions, you are advised to consult legal counsel prior to making any offer, resale, 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 Indenture and the Subordinated Note Issuing and Paying Agency Agreement, as applicable.

Without limiting the foregoing, by holding a Note, you will acknowledge and agree, among other things, that you understand that neither of the Co-Issuers is registered as an investment company under the Investment Company Act, and that the Co-Issuers are exempt from registration as such by virtue of Section 3(c)(7) of the Investment Company Act. Section 3(c)(7) excepts from the provisions of the Investment Company Act those issuers who privately place their securities solely to persons who at the time of purchase are "qualified purchasers" or, in the case of the Class E Notes and the Subordinated Notes, "knowledgeable employees" with respect to the Issuer. In general terms, "**qualified purchaser**" is defined to mean, among other things, 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). In general terms, "**knowledgeable employees**" is defined to mean, among other things, executive officers, directors and certain investment professionals and employees of an issuer and its related investment manager.

Global Notes

If you are either an original purchaser or a transferee of Notes represented by an interest in a Global Note you will be deemed to have represented and agreed as follows (except as may be expressly agreed in writing between you and the Co-Issuers or the Issuer, as applicable, if you are an initial purchaser):

(i) In connection with the purchase of such Notes: (A) none of the Co-Issuers, the Collateral Manager, the Initial Purchaser, the Trustee, the Subordinated Note Issuing and Paying Agent, the Collateral Administrator or any of their respective Affiliates is acting as a fiduciary or financial or investment advisor for such beneficial owner; (B) such beneficial owner is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Co-Issuers, the Collateral Manager, the Trustee, the Collateral Administrator, the Initial Purchaser or any of their respective Affiliates other than any statements in this Offering Circular, and such beneficial owner has read and understands this Offering Circular (including, without limitation, the descriptions therein of the structure of the transaction in which the Notes are being issued and the risks to purchasers of the Notes); (C) such beneficial owner has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture or the Subordinated Note Issuing and Paying Agency Agreement, as applicable) 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 Co-Issuers, the Collateral Manager, the Trustee, (in the case of the Subordinated Notes) the Subordinated Note Issuing and Paying Agent, the Collateral Administrator, the Initial Purchaser or any of their respective Affiliates; (D) such beneficial owner is either (1) (in the case of a beneficial owner of an interest in a Rule 144A Global Note) both (a) a "qualified institutional buyer" (as defined under Rule 144A under the Securities Act) that is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(i)(d) or (a)(1)(i)(e) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(i)(f) of Rule 144A under the Securities Act that holds the assets of such a plan, if investment decisions with respect to the plan are made by beneficiaries of the plan, who is purchasing the Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder and (b) a "qualified purchaser" for purposes of Section 3(c)(7) of the Investment Company Act or an entity owned or beneficially owned exclusively by "qualified purchasers" or (2) not a "U.S. person" as defined in Regulation S and is acquiring the Notes in an offshore transaction (as defined in Regulation S) in reliance on the exemption from registration provided by Regulation S; (E) such beneficial owner is acquiring its interest in such Notes for its own account for investment and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; (F) such beneficial owner was not formed for the purpose of investing in such Notes; (G) such beneficial owner understands that the Issuer may receive a list of participants holding interests in the Notes from one or more book-entry depositories; (H) such beneficial owner will hold and transfer at least the minimum denomination of such Notes; (I) such beneficial owner is a sophisticated investor and is purchasing the Notes with a full understanding of all of the terms, conditions and risks thereof, and is capable of and willing to assume those risks; (J) such beneficial owner will provide notice of the relevant transfer restrictions to subsequent transferees, including that such beneficial owner may be relying on the exemption from registration under the Securities Act provided by Rule 144A thereunder; (K) none of such beneficial owner or any of its affiliates (as such term is defined in Rule 501(b) of Regulation D under the Securities Act) or any other Person acting on any of their behalf will engage, in connection with such Notes, in any form of (i) general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act or (ii) directed selling efforts within the meaning of Rule 902(c) of Regulation S thereunder; (L) such beneficial owner has not solicited and will not solicit offers for such Notes, and has not arranged and will not arrange commitments to purchase such Notes, except in accordance with the Indenture, (in the case of the Subordinated Notes) the Subordinated Note Issuing and Paying Agency Agreement and any applicable U.S. federal and state securities laws and the securities laws of any other jurisdiction in which such Notes have been offered and (M) if it is not a United States person (as defined below), it is not acquiring any Note as part of a plan to reduce, avoid or evade U.S. federal income tax.

(ii) Each person who purchases a Note (other than an ERISA Restricted Note) or any interest therein will be required or deemed to represent, warrant and agree that (A) if such person is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such interest does not and will not constitute or result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code, and (B) if such person is a governmental, church, non-U.S. or other plan which is subject to any Similar Law, such person's acquisition, holding and disposition of such Note will not constitute or result in a violation of any such Similar Law.

(iii) Each person who purchases an interest in a Regulation S Global ERISA Restricted Note or a Rule 144A Global ERISA Restricted Note in the form of a Global Note (other than a purchaser on the Closing Date of a Closing Date ERISA Note), and each subsequent transferee of a Regulation S Global ERISA Restricted Note or a Rule 144A Global ERISA Restricted Note in the form of a Global Note or an interest therein, will be deemed to represent and agree or deemed (in the case of a subsequent transferee) to have represented and agreed that (A) for so long as it holds such Note or interest therein, such person is not, and is not acting on behalf of, a Benefit Plan Investor and is not a Controlling Person, and (B) if such person is a governmental, church, non-U.S. or other plan, (1) it is not, and for so long as it holds such Regulation S Global ERISA Restricted Note or Rule 144A Global ERISA Restricted Note or interest therein will not be, subject to any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or 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 Issuer's assets) to Similar Law, and (2) its acquisition, holding and disposition of such Note will not constitute or result in a violation of any applicable Similar Law.

(iv) Such beneficial owner understands that such Notes are being offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, such Notes have not been and will not be registered under the Securities Act, and, if in the future such beneficial owner decides to offer, resell, pledge or otherwise transfer such Notes, such Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture and the legend on such Notes, including any requirement for written certifications. In particular, such beneficial owner understands that the Notes may be transferred only to a person that is either (a) (1)(x) a "qualified purchaser" (as defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), and the rules thereunder), (y) solely in the case of the Class E Notes and Subordinated Notes, a Knowledgeable Employee with respect to the Issuer or (z) an entity owned (or in the case of "qualified purchasers", beneficially owned) exclusively by one or more "qualified purchasers" or (solely in the case of the Class E Notes and Subordinated Notes) Knowledgeable Employees with respect to the Issuer and (2) either (x) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act who purchases such Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder or (y) solely in the case of the Class E Notes and Subordinated Notes, an institutional "accredited investor" as defined in Rule 501(a)(1)-(3) or (7) under the Securities Act that purchases such Notes in a non-public transaction or solely in the case of the Class E Notes and Subordinated Notes held by a Knowledgeable Employee (or an entity owned exclusively by Knowledgeable Employees), an "accredited investor" as defined in Rule 501(a) under the Securities Act that purchases such Notes in a non-public transaction or (b) a person that is not a "U.S. person" as defined in Regulation S under the Securities Act and is acquiring the Notes in an offshore transaction (as defined in Regulation S thereunder) in reliance on the exemption from registration provided by Regulation S thereunder. Such beneficial owner acknowledges that no representation has been made as to the availability of any exemption under the Securities Act or any state securities laws for resale of such Notes. Such beneficial owner understands that neither of the Co-Issuers has been registered under the Investment Company Act, and that the Co-Issuers are exempt from registration as such by virtue of Section 3(c)(7) of the Investment Company Act.

(v) Such beneficial owner is aware that, except as otherwise provided in the Indenture or the Subordinated Note Issuing and Paying Agency Agreement, as applicable, any Notes being sold to it in reliance on Regulation S will be represented by one or more Regulation S Global Notes, and that in each case, beneficial interests therein may be held only through DTC for the respective accounts of Euroclear or Clearstream.

(vi) Such beneficial owner will provide notice to each person to whom it proposes to transfer any interest in the Notes of the transfer restrictions and representations set forth in the Indenture or the Subordinated Note Issuing and Paying Agency Agreement, as applicable and the legends on such Notes.

(vii) Such beneficial owner understands that the Issuer, the Co-Issuer, the Trustee, the Initial Purchaser and their respective counsel will rely upon the accuracy and truth of the foregoing representations and agreements, and such beneficial owner hereby consents to such reliance.

In addition, if you purchase an interest in an ERISA Restricted Note from the Issuer on the Closing Date, you will be required to provide Jefferies or the Issuer with a subscription agreement containing representations substantially similar to those set forth in Annex A-1 or Annex A-3 (as applicable) and Annex A-2 hereto and/or an investor application form (in a form acceptable to Jefferies).

ERISA Restricted Certificated Notes

If you are a purchaser or transferee of an ERISA Restricted Certificated Note, no such purchase or transfer will be recorded or otherwise recognized unless you have provided the Trustee (or, in the case of the Subordinated Notes, the Subordinated Note Issuing and Paying Agent) with certificates substantially in the form of Annex A-3 (or, in the case of the Subordinated Notes, Annex A-1) and Annex A-2 hereto. In addition, if you are an original purchaser of an ERISA Restricted Certificated Note, you will be deemed to have represented and agreed to the provisions set forth in clauses (i) through (vii) under "Global Notes" above; *provided* that you will not be deemed to have made the representation set forth in sub-clause (i)(D) under "Global Notes" above but will be deemed to have represented that you are both (a) either (i) a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) that is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(i)(d) or (a)(1)(i)(e) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(i)(f) of Rule 144A under the Securities Act that holds the assets of such a plan, if investment decisions with respect to the plan are made by beneficiaries of the plan, who is purchasing the ERISA Restricted Certificated Note in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder or (ii) an institutional "accredited investor" as defined in Rule 501(a)(1)-(3) or (7) that purchases such ERISA Restricted Certificated Note in a non-public transaction or solely in the case of Notes held by a Knowledgeable Employee (or an entity owned exclusively by Knowledgeable Employees), an "accredited investor" as defined in Rule 501(a) under the Securities Act that purchases such ERISA Restricted Certificated Note in a non-public transaction and (b)(i) a "qualified purchaser" for purposes of Section 3(c)(7) of the Investment Company Act, (ii) a Knowledgeable Employee with respect to the Issuer, as defined in Rule 3c-5 promulgated under the Investment Company Act or (iii) an entity owned (or in the case of "qualified purchasers", beneficially owned) exclusively by "qualified purchasers" or Knowledgeable Employees with respect to the Issuer.

Additional Restrictions

No transfer of any ERISA Restricted Note (or interest therein) will be effective, and neither the Trustee nor the Subordinated Note Issuing and Paying Agent, as applicable will recognize any such transfer, if it may result in 25% or more of the value of the relevant Class of ERISA Restricted Notes being held by Benefit Plan Investors (the "**25% Limitation**"). For purposes of this determination, the value of Notes held by the Initial Purchaser, the Trustee, the Collateral Manager and certain of their Affiliates (other than those interests held by a Benefit Plan Investor) or a Person (other than a Benefit Plan Investor) who is a Controlling Person is disregarded. If you are a Benefit Plan Investor or a Controlling Person, you may not acquire Regulation S Global ERISA Restricted Notes or Rule 144A Global ERISA Restricted Notes or any interest therein, except with respect to Closing Date ERISA Notes purchased on the Closing Date. See "Certain ERISA and Related Considerations".

Each purchaser and subsequent transferee of Secured Notes will be required or deemed to represent that such purchaser or subsequent transferee, as applicable, is not an Affected Bank. If you are a purchaser or transferee of Certificated Subordinated Notes or ERISA Restricted Certificated Notes after the Closing Date, you will be required to provide the Issuer and the Trustee (or the Subordinated Note Issuing and Paying Agent, as applicable) written certification by the delivery of a certificate in the form of Annex A-2 hereto as to whether you are an

Affected Bank. If you purchase an interest in an ERISA Restricted Note from the Issuer on the Closing Date, you will be required to provide the Issuer or Jefferies with a subscription agreement containing representations substantially similar to those set forth in Annex A-2 hereto and/or an investor application form (in a form acceptable to Jefferies) as to whether you are an Affected Bank. Each purchaser and subsequent transferee of Regulation S Global ERISA Restricted Notes or Rule 144A Global ERISA Restricted Notes will be deemed to represent that such purchaser or subsequent transferee, as applicable, is not an Affected Bank. No transfer of any Secured Note or Subordinated Note to an Affected Bank will be effective, and no such transfer will be recognized, unless such transfer is specifically authorized by the Issuer in writing; *provided* that the Issuer shall authorize any such transfer if (x) such transfer would not cause an Affected Bank, directly or in conjunction with its affiliates, to own more than 33-1/3% of the Aggregate Outstanding Amount of any Class of Notes, or (y) the transferor is an Affected Bank previously approved by the Issuer. "**Affected Bank**" means a "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that is not (a) a United States person (within the meaning of Section 7701(a)(30) of the Code), (b) entitled to the benefits of an income tax treaty with the United States under which withholding taxes on interest payments made by obligors resident in the United States to such bank are reduced to 0%, or (c) exempt from U.S. federal withholding tax due its income being effectively connected with a trade or business in the United States.

Each purchaser, beneficial owner and subsequent transferee of any Note or interest therein, by acceptance of such Note or an interest in such Note, shall be deemed to have agreed (1) to provide the Issuer and Trustee (and, in the case of the Subordinated Notes, the Subordinated Note Issuing and Paying Agent) (i) any information as is necessary (in the sole determination of the Issuer or the Trustee or the Subordinated Note Issuing and Paying Agent, as applicable) for the Issuer and the Trustee (and, in the case of the Subordinated Notes, the Subordinated Note Issuing and Paying Agent) to determine whether such purchaser, beneficial owner or transferee (or any person through which it holds any Note) is a United States person as defined in Section 7701(a)(30) of the Code ("**United States person**"), a United States owned foreign entity as described in Section 1471(d)(3) of the Code ("**United States owned foreign entity**") or a foreign financial institution as described in Section 1471(d)(4) of the Code and (ii) any additional information that the Issuer or its agent requests in connection with FATCA or any IGA relating to FATCA between the United State of America and the jurisdiction of formation of the Issuer and any enacting legislation related thereto and (2) if it is a United States person or a United States owned foreign entity that is a Holder or beneficial owner of Notes or an interest therein, (x) to provide the Issuer and Trustee (and, in the case of the Subordinated Notes, the Subordinated Note Issuing and Paying Agent) its name, address, U.S. taxpayer identification number, or if it is a United States owned foreign entity, the name, address and taxpayer identification number of each of its substantial United States owners as defined in Section 1473(2) of the Code ("**substantial United States owner**") and any other information requested by the Issuer or its agent upon request and (y) to update any such information provided in clause (x) promptly upon learning that any such information previously provided has become obsolete or incorrect or is otherwise required (the foregoing obligations, the "**Noteholder Reporting Obligations**"). Each purchaser and subsequent transferee of Notes will be required or deemed to acknowledge that the Issuer may provide such information and any other information concerning its investment in the Notes to the U.S. Internal Revenue Service. Each purchaser and subsequent transferee of an interest in a Note will be required or deemed to understand and acknowledge that the Issuer has the right, under the Indenture (in the case of the Secured Notes) and the Subordinated Note Issuing and Paying Agency Agreement (in the case of the Subordinated Notes), to (i) withhold on any payments on the Notes for taxes imposed under FATCA and (ii) compel any Noteholder or beneficial owner of an interest in a Note that fails to comply with the foregoing requirements or whose ownership of the Notes may preclude the Issuer's FATCA Compliance to sell its interest in such Note, or may sell such interest on behalf of such owner.

To the extent required by the Issuer, as determined by the Issuer or the Collateral Manager on behalf of the Issuer, the Issuer may, upon notice to the Subordinated Note Issuing and Paying Agent, impose additional transfer restrictions on the Subordinated Notes to comply with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 and other similar laws or regulations, including, without limitation, requiring each transferee of a Subordinated Note, as applicable, to make representations to the Issuer in connection with such compliance.

Legends

Each purchaser and each transferee of a Note (or beneficial interest therein) shall be deemed to understand and agree that the Notes will bear a legend substantially to the effect set forth below. Each such purchaser and transferee shall be deemed to make any representations, warranties and agreements set forth in such legend.

> THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO A PERSON THAT IS BOTH (1) A "QUALIFIED PURCHASER" (WITHIN THE MEANING OF THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT") AND THE RULES THEREUNDER) [OR A "KNOWLEDGEABLE EMPLOYEE" (WITHIN THE MEANING OF THE INVESTMENT COMPANY ACT) WITH RESPECT TO THE ISSUER][5] OR AN ENTITY BENEFICIALLY OWNED EXCLUSIVELY BY QUALIFIED PURCHASERS [OR OWNED EXCLUSIVELY BY KNOWLEDGEABLE EMPLOYEES WITH RESPECT TO THE ISSUER][6] ([IN EACH CASE,][7]AS DEFINED FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT) AND (2) [EITHER (X)][8] A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN RELIANCE ON THE EXEMPTION FROM SECURITIES ACT REGISTRATION PROVIDED BY SUCH RULE THAT IS NOT A BROKER-DEALER WHICH OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25 MILLION IN SECURITIES OF ISSUERS THAT ARE NOT AFFILIATED PERSONS OF THE DEALER AND IS NOT A PLAN REFERRED TO IN PARAGRAPH (A)(1)(i)(D) OR (A)(1)(i)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (A)(1)(i)(F) OF RULE 144A THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY THE BENEFICIARIES OF THE PLAN [OR (Y) AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(a)(1)-(3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT OR SOLELY IN THE CASE OF KNOWLEDGEABLE EMPLOYEES (OR ENTITIES OWNED EXCLUSIVELY BY KNOWLEDGEABLE EMPLOYEES) WITH RESPECT TO THE ISSUER, "ACCREDITED INVESTORS" (AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT)][9] OR (B) TO A PERSON THAT IS NOT A "U.S. PERSON" (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, AND IN EACH CASE IN COMPLIANCE WITH THE CERTIFICATION AND OTHER REQUIREMENTS SPECIFIED IN THE [INDENTURE][10] [SUBORDINATED NOTE ISSUING AND PAYING AGENCY AGREEMENT][11] REFERRED TO HEREIN AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY APPLICABLE JURISDICTION. THE [CO-ISSUERS OF THIS NOTE HAVE

[5] Insert only in the case of the ERISA Restricted Notes.
[6] Insert only in the case of the ERISA Restricted Notes.
[7] Insert only in the case of the ERISA Restricted Notes.
[8] Insert only in the case of the ERISA Restricted Notes.
[9] Insert only in the case of the ERISA Restricted Notes.
[10] Insert only in the case of the Secured Notes.
[11] Insert only in the case of the Subordinated Notes.

NOT][12] [ISSUER OF THIS NOTE HAS NOT][13] BEEN AND WILL NOT BE REGISTERED UNDER THE INVESTMENT COMPANY ACT.

THE ISSUER HAS THE RIGHT, UNDER THE [INDENTURE][14] [SUBORDINATED NOTE ISSUING AND PAYING AGENCY AGREEMENT][15], TO COMPEL ANY BENEFICIAL OWNER OF AN INTEREST IN THIS NOTE THAT IS A U.S. PERSON AND IS NOT BOTH (A) A "QUALIFIED PURCHASER" [OR A "KNOWLEDGEABLE EMPLOYEE" WITH RESPECT TO THE ISSUER][16] OR AN ENTITY BENEFICIALLY OWNED EXCLUSIVELY BY QUALIFIED PURCHASERS [OR OWNED EXCLUSIVELY BY KNOWLEDGEABLE EMPLOYEES WITH RESPECT TO THE ISSUER][17] ([IN EACH CASE,][18] AS DEFINED FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT) AND (B) [EITHER (X)][19] A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) [OR (Y) AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1)-(3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT) OR SOLELY IN THE CASE OF KNOWLEDGEABLE EMPLOYEES (OR ENTITIES OWNED EXCLUSIVELY BY KNOWLEDGEABLE EMPLOYEES) WITH RESPECT TO THE ISSUER, "ACCREDITED INVESTORS" (AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT)][20] TO SELL ITS INTEREST IN THE NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER. [THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY HOLDER WHICH DOES NOT CONSENT TO A RE-PRICING WITH RESPECT TO THIS NOTE PURSUANT TO THE TERMS OF THE INDENTURE TO SELL ITS INTEREST IN THE NOTE OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH HOLDER.][21]

[EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR (AS DEFINED BELOW), ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF ERISA OR SECTION 4975 OF THE CODE (ANY SUCH LAW OR REGULATION, A "SIMILAR LAW"), ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY SUCH SIMILAR LAW. "BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA AND

[12] Insert only in the case of the Class A1 Notes, Class AX Notes, Class B, Class C Notes and Class D Notes.
[13] Insert only in the case of the ERISA Restricted Notes.
[14] Insert only in the case of the Secured Notes.
[15] Insert only in the case of the Subordinated Notes.
[16] Insert only in the case of the ERISA Restricted Notes.
[17] Insert only in the case of the ERISA Restricted Notes.
[18] Insert only in the case of the ERISA Restricted Notes.
[19] Insert only in the case of the ERISA Restricted Notes.
[20] Insert only in the case of the ERISA Restricted Notes.
[21] Insert only in the case of the Secured Notes.

INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO PART 4 OF TITLE I OF ERISA, (B) A PLAN AS DEFINED IN SECTION 4975(e)(1) OF THE CODE THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY OR ACCOUNT WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY.][22] THE ISSUER HAS THE RIGHT, [UNDER THE INDENTURE][23] [UNDER THE SUBORDINATED NOTE ISSUING AND PAYING AGENCY AGREEMENT][24], TO COMPEL ANY BENEFICIAL OWNER OF A [SECURED][25] [SUBORDINATED][26] NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION OR SIMILAR LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP CAUSES A VIOLATION OF THE 25% LIMITATION TO SELL ITS INTEREST IN SUCH NOTE, OR MAY SELL SUCH INTERESTS ON BEHALF OF SUCH OWNER.

[THIS NOTE IS AN ERISA RESTRICTED NOTE. EACH PURCHASER OR TRANSFEREE OF THIS [ERISA RESTRICTED CERTIFICATED NOTE][27] [ERISA RESTRICTED NOTE REPRESENTED BY A GLOBAL NOTE][28] WILL BE REQUIRED TO (I) REPRESENT AND WARRANT IN WRITING TO THE [TRUSTEE][29] [SUBORDINATED NOTE ISSUING AND PAYING AGENT][30] (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR (AS DEFINED BELOW), (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON (AS DEFINED BELOW) AND (3) THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF [ERISA][31] [THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA")][32] OR SECTION 4975 OF THE [CODE][33] [INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE")][34] OR (B) IF IT IS A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, (X) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN 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 THIS NOTE (OR INTEREST HEREIN) 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)

[22] Insert only in the case of the Secured Notes.
[23] Insert only in the case of the Secured Notes.
[24] Insert only in the case of the Subordinated Notes.
[25] Insert only in the case of the Secured Notes.
[26] Insert only in the case of the Subordinated Notes.
[27] Insert only in the case of ERISA Restricted Certificated Notes.
[28] Insert only in the case of ERISA Restricted Notes that are Global Notes.
[29] Insert only in the case of the Secured Notes.
[30] Insert only in the case of the Subordinated Notes.
[31] Insert only in the case of the Secured Notes.
[32] Insert only in the case of the Subordinated Notes.
[33] Insert only in the case of the Secured Notes.
[34] Insert only in the case of the Subordinated Notes.

TO SIMILAR LAW [(AS DEFINED BELOW)][35] AND (Y) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY APPLICABLE [SIMILAR LAW][36] [STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF ERISA OR SECTION 4975 OF THE CODE (ANY SUCH LAW OR REGULATION, A "SIMILAR LAW")][37], AND (II) AGREE TO CERTAIN TRANSFER RESTRICTIONS REGARDING ITS INTEREST IN THIS NOTE. ["BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO PART 4 OF TITLE I OF ERISA, (B) A PLAN AS DEFINED IN SECTION 4975(e)(1) OF THE CODE THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY OR ACCOUNT WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY.][38] "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.

THE ISSUER HAS THE RIGHT TO COMPEL ANY BENEFICIAL OWNER OF AN ERISA RESTRICTED 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% LIMITATION TO SELL ITS INTEREST IN THE ERISA RESTRICTED NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.][39]

[ANY TRANSFER, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC"), NEW YORK, NEW YORK, TO THE [ISSUER OR ITS][40] [CO-ISSUERS OR THEIR][41] AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF

[35] Insert only in the case of the Subordinated Notes.
[36] Insert only in the case of the Secured Notes.
[37] Insert only in the case of the Subordinated Notes.
[38] Insert only in the case of the Subordinated Notes.
[39] Insert only in the case of the ERISA Restricted Notes.
[40] Insert only in the case of the ERISA Restricted Notes.
[41] Insert only in the case of the Class A1 Notes, Class AX Notes, Class B Notes, Class C Notes and Class D Notes.

CEDE & CO. OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO.).

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE.][42]

Additionally, the Secured Notes will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE 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 TRUSTEE.

THE FAILURE TO PROVIDE THE ISSUER, THE TRUSTEE AND ANY 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) OR THE FAILURE TO MEET ITS NOTEHOLDER REPORTING OBLIGATIONS MAY RESULT IN WITHHOLDING FROM PAYMENTS IN RESPECT OF SUCH NOTE, INCLUDING U.S. FEDERAL WITHHOLDING OR BACK-UP WITHHOLDING.

EACH HOLDER AND BENEFICIAL OWNER OF THIS NOTE OR AN INTEREST IN THIS NOTE THAT IS A "UNITED STATES PERSON" (AS DEFINED IN SECTION 7701(a)(30) OF THE CODE) OR A "UNITED STATES OWNED FOREIGN ENTITY" (AS DESCRIBED IN SECTION 1471(d)(3) OF THE CODE) WILL MAKE, OR BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE WILL BE DEEMED TO MAKE, REPRESENTATIONS TO THE EFFECT THAT (I) IT WILL PROVIDE TO THE ISSUER AND THE TRUSTEE ITS NAME, ADDRESS, U.S. TAXPAYER IDENTIFICATION NUMBER, IF IT IS A UNITED STATES OWNED FOREIGN ENTITY, THE NAME, ADDRESS AND TAXPAYER IDENTIFICATION NUMBER OF EACH OF ITS SUBSTANTIAL UNITED STATES OWNERS AS DEFINED IN SECTION 1473(2) OF THE CODE ("SUBSTANTIAL UNITED STATES OWNER") AND ANY OTHER INFORMATION THAT THE ISSUER OR THE TRUSTEE REQUESTS AND (II) IT WILL UPDATE ANY SUCH INFORMATION PROVIDED IN CLAUSE (I) PROMPTLY UPON LEARNING THAT ANY SUCH INFORMATION PREVIOUSLY PROVIDED HAS BECOME OBSOLETE OR INCORRECT OR IS OTHERWISE REQUIRED. IN ADDITION, EACH

[42] Insert only in the case of the Global Notes.

HOLDER AND BENEFICIAL OWNER OF THIS NOTE OR ANY INTEREST IN THIS NOTE WILL MAKE, OR BY ACQUIRING THIS NOTE OR ANY INTEREST IN THIS NOTE WILL BE DEEMED TO MAKE, REPRESENTATIONS TO THE EFFECT THAT IT WILL PROVIDE TO THE ISSUER AND THE TRUSTEE (X) ANY INFORMATION AS IS NECESSARY (IN THE SOLE DETERMINATION OF THE ISSUER OR THE TRUSTEE, AS APPLICABLE) FOR THE ISSUER AND THE TRUSTEE TO DETERMINE WHETHER SUCH HOLDER OR BENEFICIAL OWNER (OR ANY PERSON THROUGH WHICH IT HOLDS THIS NOTE) IS A UNITED STATES PERSON, A UNITED STATES OWNED FOREIGN ENTITY OR A FOREIGN FINANCIAL INSTITUTION (AS DEFINED IN SECTION 1471(d)(4) OF THE CODE), AND (Y) ANY ADDITIONAL INFORMATION THAT THE ISSUER OR ITS AGENT REQUESTS IN CONNECTION WITH SECTIONS 1471-1474 OF THE CODE OR ANY INTERGOVERNMENTAL AGREEMENT RELATING TO SUCH PROVISIONS BETWEEN THE UNITED STATES OF AMERICA AND THE JURISDICTION OF FORMATION OF THE ISSUER AND ANY ENACTING LEGISLATION RELATED THERETO. EACH SUCH HOLDER AND BENEFICIAL OWNER WILL AGREE, OR BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE BE DEEMED TO AGREE THAT THE ISSUER MAY PROVIDE SUCH INFORMATION, AND ANY OTHER INFORMATION REGARDING ITS INVESTMENT IN THE NOTES TO THE U.S. INTERNAL REVENUE SERVICE. THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY BENEFICIAL OWNER OF AN INTEREST IN THIS NOTE THAT FAILS TO COMPLY WITH THE FOREGOING REQUIREMENTS TO SELL ITS INTEREST IN THIS NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.

EACH HOLDER AND BENEFICIAL OWNER OF THIS NOTE OR AN INTEREST IN THIS NOTE THAT IS NOT A "UNITED STATES PERSON" (AS DEFINED IN SECTION 7701(a)(30) OF THE CODE) WILL MAKE, OR BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE WILL BE DEEMED TO MAKE, A REPRESENTATION TO THE EFFECT THAT IT IS NOT PURCHASING THIS NOTE IN ORDER TO REDUCE ITS U.S. FEDERAL INCOME TAX LIABILITY PURSUANT TO A TAX AVOIDANCE PLAN.

EACH HOLDER AND BENEFICIAL OWNER OF THIS NOTE (A) WILL MAKE, OR BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE WILL BE DEEMED TO MAKE, A REPRESENTATION TO THE EFFECT THAT IT IS NOT AN AFFECTED BANK AND (B) WILL AGREE, OR BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE WILL BE DEEMED TO AGREE, THAT NO TRANSFER OF THIS NOTE TO AN AFFECTED BANK WILL BE EFFECTIVE AND THE TRUSTEE WILL NOT RECOGNIZE ANY SUCH TRANSFER, UNLESS SUCH TRANSFER IS SPECIFICALLY AUTHORIZED BY THE ISSUER IN WRITING; PROVIDED THAT THE ISSUER SHALL AUTHORIZE ANY SUCH TRANSFER IF (X) SUCH TRANSFER WOULD NOT CAUSE AN AFFECTED BANK, DIRECTLY OR IN CONJUNCTION WITH ITS AFFILIATES, TO OWN MORE THAN 33-1/3% OF THE AGGREGATE OUTSTANDING PRINCIPAL AMOUNT OF THE [CLASS A1][43] [CLASS A-F][44] [CLASS AX][45] [CLASS B1][46] [CLASS B-F][47] [CLASS C][48] [CLASS D][49]

[43] Insert only in the case of the Class A1 Notes.
[44] Insert only in the case of the Class A-F Notes.
[45] Insert only in the case of the Class AX Notes.

[CLASS E][50] NOTES OR (X) THE TRANSFEROR IS AN AFFECTED BANK PREVIOUSLY APPROVED BY THE ISSUER. AN "AFFECTED BANK" IS A "BANK" FOR PURPOSES OF SECTION 881 OF THE CODE OR AN ENTITY AFFILIATED WITH SUCH A BANK THAT IS NOT (A) A UNITED STATES PERSON (WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE), (B) ENTITLED TO THE BENEFITS OF AN INCOME TAX TREATY WITH THE UNITED STATES UNDER WHICH WITHHOLDING TAXES ON INTEREST PAYMENTS MADE BY OBLIGORS RESIDENT IN THE UNITED STATES TO SUCH BANK ARE REDUCED TO 0% NOR (C) EXEMPT FROM U.S. FEDERAL WITHHOLDING TAX DUE TO ITS INCOME BEING EFFECTIVELY CONNECTED WITH A TRADE OR BUSINESS IN THE UNITED STATES.

EACH HOLDER AND EACH BENEFICIAL OWNER OF THIS NOTE, BY ACQUIRING THIS NOTE OR ITS INTEREST IN THIS NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, THIS NOTE AS DEBT OF THE ISSUER FOR U.S. FEDERAL AND, TO THE EXTENT PERMITTED BY LAW, STATE AND LOCAL INCOME AND FRANCHISE TAX PURPOSES AND SHALL TAKE NO ACTION INCONSISTENT WITH SUCH TREATMENT UNLESS REQUIRED BY ANY RELEVANT TAXING AUTHORITY, EXCEPT THAT HOLDERS AND BENEFICIAL OWNERS OF THE CLASS E NOTES MAY MAKE A PROTECTIVE "QUALIFIED ELECTING FUND" ELECTION.

In addition, [the Class C Notes, Class D Notes and Class E Notes] will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

THIS SECURED 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 WRITING TO JEFFERIES LLC, 520 MADISON AVENUE, NEW YORK, NEW YORK 10022; ATTENTION: CDO DESK OR SUBMITTED BY EMAIL IN LEGIBLE FORM TO JEFCDO@JEFFEREIS.COM.

In addition to each of the applicable legends above, the Subordinated Notes will bear a legend substantially to the effect set forth below and each purchaser and each transferee of a Subordinated Note (or beneficial interest therein) shall be deemed to understand and agree that the Subordinated Notes will bear such legend. Each such purchaser and transferee shall be deemed to make any representations, warranties and agreements set forth in such legend.

DISTRIBUTIONS TO THE HOLDER OF THE SUBORDINATED NOTES REPRESENTED HEREBY ARE SUBORDINATED TO THE PAYMENT ON EACH PAYMENT DATE OF PRINCIPAL OF AND INTEREST ON THE SECURED NOTES OF THE ISSUER AND THE PAYMENT OF CERTAIN OTHER AMOUNTS, TO THE EXTENT AND AS DESCRIBED IN THE INDENTURE.

THE FAILURE TO PROVIDE THE ISSUER, THE SUBORDINATED NOTE ISSUING AND PAYING AGENT AND ANY OTHER PAYING AGENT

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[46] Insert only in the case of the Class B1 Notes.
[47] Insert only in the case of the Class B-F Notes.
[48] Insert only in the case of the Class C Notes.
[49] Insert only in the case of the Class D Notes.
[50] Insert only in the case of the Class E Notes.

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) OR THE FAILURE TO MEET ITS NOTEHOLDER REPORTING OBLIGATIONS MAY RESULT IN WITHHOLDING FROM PAYMENTS IN RESPECT OF THIS NOTE, INCLUDING U.S. FEDERAL WITHHOLDING OR BACK-UP WITHHOLDING.

EACH HOLDER AND BENEFICIAL OWNER OF THIS NOTE OR AN INTEREST IN THIS NOTE WILL MAKE, OR BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE WILL BE DEEMED TO MAKE, REPRESENTATIONS TO THE EFFECT THAT (I) IT WILL PROVIDE THE ISSUER, TRUSTEE, AND THE SUBORDINATED NOTE ISSUING AND PAYING AGENT (A) ANY INFORMATION AS IS NECESSARY (IN THE SOLE DETERMINATION OF THE ISSUER, TRUSTEE OR THE SUBORDINATED NOTE ISSUING AND PAYING AGENT) FOR THE ISSUER, TRUSTEE AND THE SUBORDINATED NOTE ISSUING AND PAYING AGENT TO DETERMINE WHETHER SUCH HOLDER OR BENEFICIAL OWNER (OR ANY PERSON THROUGH WHICH IT HOLDS ANY NOTE) IS A UNITED STATES PERSON AS DEFINED IN SECTION 7701(A)(30) OF THE CODE ("UNITED STATES PERSON"), A UNITED STATES OWNED FOREIGN ENTITY AS DESCRIBED IN SECTION 1471(D)(3) OF THE CODE ("UNITED STATES OWNED FOREIGN ENTITY") OR A FOREIGN FINANCIAL INSTITUTION AS DESCRIBED IN SECTION 1471(D)(4) OF THE CODE AND (B) ANY ADDITIONAL INFORMATION THAT THE ISSUER OR ITS AGENT REQUESTS IN CONNECTION WITH FATCA OR ANY INTERGOVERNMENTAL AGREEMENT RELATING TO FATCA BETWEEN THE UNITED STATES OF AMERICA AND THE JURISDICTION OF FORMATION OF THE ISSUER AND ANY ENACTING LEGISLATION RELATED THERETO AND (II) IF IT IS A UNITED STATES PERSON OR A UNITED STATES OWNED FOREIGN ENTITY, (X) TO PROVIDE THE ISSUER, TRUSTEE, AND THE SUBORDINATED NOTE ISSUING AND PAYING AGENT ITS NAME, ADDRESS, U.S. TAXPAYER IDENTIFICATION NUMBER, OR IF IT IS A UNITED STATES OWNED FOREIGN ENTITY, THE NAME, ADDRESS AND TAXPAYER IDENTIFICATION NUMBER OF EACH OF ITS SUBSTANTIAL UNITED STATES OWNERS AS DEFINED IN SECTION 1473(2) OF THE CODE ("SUBSTANTIAL UNITED STATES OWNER") AND ANY OTHER INFORMATION REQUESTED BY THE ISSUER OR ITS AGENT UPON REQUEST AND (Y) TO UPDATE ANY SUCH INFORMATION PROVIDED IN CLAUSE (X) PROMPTLY UPON LEARNING THAT ANY SUCH INFORMATION PREVIOUSLY PROVIDED HAS BECOME OBSOLETE OR INCORRECT OR IS OTHERWISE REQUIRED. THE ISSUER HAS THE RIGHT, UNDER THE SUBORDINATED NOTE ISSUING AND PAYING AGENCY AGREEMENT, TO (I) WITHHOLD ON ANY PAYMENTS ON THE SUBORDINATED NOTES FOR TAXES IMPOSED UNDER FATCA AND (II) COMPEL ANY HOLDER OR BENEFICIAL OWNER OF AN INTEREST IN THIS NOTE THAT FAILS TO COMPLY WITH THE FOREGOING REQUIREMENTS OR WHOSE OWNERSHIP OF THE SUBORDINATED

NOTES MAY PRECLUDE THE ISSUER'S FATCA COMPLIANCE TO SELL ITS INTEREST IN THIS NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.

EACH HOLDER AND BENEFICIAL OWNER OF THIS SUBORDINATED NOTE OR AN INTEREST IN THIS NOTE THAT IS NOT A "UNITED STATES PERSON" (AS DEFINED IN SECTION 7701(a)(30) OF THE CODE) WILL MAKE, OR BY ACQUIRING THIS SUBORDINATED NOTE OR AN INTEREST IN THIS NOTE WILL BE DEEMED TO MAKE, A REPRESENTATION THAT IT IS NOT PURCHASING THIS NOTE IN ORDER TO REDUCE ITS U.S. FEDERAL INCOME TAX LIABILITY PURSUANT TO A TAX AVOIDANCE PLAN.

EACH HOLDER AND BENEFICIAL OWNER OF THIS SUBORDINATED NOTE OR AN INTEREST IN THIS NOTE (A) WILL MAKE A REPRESENTATION AS TO WHETHER IT IS AN AFFECTED BANK AND (B) WILL AGREE THAT NO TRANSFER OF A SUBORDINATED NOTE TO AN AFFECTED BANK WILL BE EFFECTIVE AND THE SUBORDINATED NOTE ISSUING AND PAYING AGENT WILL NOT RECOGNIZE ANY SUCH TRANSFER, UNLESS SUCH TRANSFER IS SPECIFICALLY AUTHORIZED BY THE ISSUER IN WRITING; PROVIDED THAT THE ISSUER SHALL AUTHORIZE ANY SUCH TRANSFER IF (X) SUCH TRANSFER WOULD NOT CAUSE AN AFFECTED BANK, DIRECTLY OR IN CONJUNCTION WITH ITS AFFILIATES, TO OWN MORE THAN 33-1/3% OF THE AGGREGATE OUTSTANDING PRINCIPAL AMOUNT OF THE SUBORDINATED NOTES OR (Y) THE TRANSFEROR IS AN AFFECTED BANK PREVIOUSLY APPROVED BY THE ISSUER. AN "AFFECTED BANK" IS A "BANK" FOR PURPOSES OF SECTION 881 OF THE CODE OR AN ENTITY AFFILIATED WITH SUCH A BANK THAT IS NOT (A) A UNITED STATES PERSON (WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE), (B) ENTITLED TO THE BENEFITS OF AN INCOME TAX TREATY WITH THE UNITED STATES UNDER WHICH WITHHOLDING TAXES ON INTEREST PAYMENTS MADE BY OBLIGORS RESIDENT IN THE UNITED STATES TO SUCH BANK ARE REDUCED TO 0%, OR (C) EXEMPT FROM U.S. FEDERAL WITHHOLDING TAX DUE TO ITS INCOME BEING EFFECTIVELY CONNECTED WITH A TRADE OR BUSINESS IN THE UNITED STATES.

EACH HOLDER AND EACH BENEFICIAL OWNER OF THIS SUBORDINATED NOTE, BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, THIS SUBORDINATED NOTE AS EQUITY IN THE ISSUER FOR U.S. FEDERAL AND, TO THE EXTENT PERMITTED BY LAW, STATE AND LOCAL INCOME AND FRANCHISE TAX PURPOSES AND SHALL TAKE NO ACTION INCONSISTENT WITH SUCH TREATMENT UNLESS REQUIRED BY ANY RELEVANT TAXING AUTHORITY.

Non-Permitted Holder/Non-Permitted ERISA Holder

If (x) any U.S. person that is not (i) either a Qualified Institutional Buyer or an Accredited Investor and (ii) a Qualified Purchaser (or an entity beneficially owned exclusively by Qualified Purchasers) or that does not have an exemption available under the Securities Act and the Investment Company Act shall become the holder or beneficial owner of an interest in any Secured Note, (y) any U.S. person that is not (i) either a Qualified Institutional Buyer or

an Accredited Investor and (ii) either a Qualified Purchaser or a Knowledgeable Employee with respect to the Issuer (or an entity owned or beneficially owned exclusively by Qualified Purchasers or owned exclusively by Knowledgeable Employees) or that does not have an exemption available under the Securities Act and the Investment Company Act shall become the holder or beneficial owner of a Class E Note or a Subordinated Note or (z) any holder of Notes shall fail to comply with the Noteholder Reporting Obligations (any such person a "**Non-Permitted Holder**"), the Issuer shall, promptly after discovery that such person is a Non-Permitted Holder by the Issuer, the Co-Issuer, the Trustee or the Subordinated Note Issuing and Paying Agent (or upon notice to the Issuer from the Trustee or the Subordinated Note Issuing and Paying Agent if it obtains actual knowledge or by the Co-Issuer if it makes the discovery (who, in each case, agree to notify the Issuer of such discovery, if any)), send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its interest to a person that is not a Non-Permitted Holder within 30 days after the date of such notice. If such Non-Permitted Holder fails to so transfer its Notes, the Issuer or the Collateral Manager acting for the Issuer shall have the right, without further notice to the Non-Permitted Holder, to sell such Notes or interest in such Notes to a purchaser selected by the Issuer that is not a Non-Permitted Holder on such terms as the Issuer may choose. The Issuer or the Collateral Manager acting on behalf of the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Notes and selling such Notes to the highest such bidder; *provided* that the Collateral Manager, its Affiliates and accounts, funds, clients or portfolios established and controlled by the Collateral Manager shall be entitled to bid in any such sale (to the extent any such entity is not a Non-Permitted Holder). However, the Issuer or the Collateral Manager may select a purchaser by any other means determined by it in its sole discretion. The holder of each Note, as applicable, the Non-Permitted Holder and each other person in the chain of title from the holder to the Non-Permitted Holder, by its acceptance of an interest in the Notes agrees to cooperate with the Issuer and the Trustee 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 Non-Permitted Holder. The terms and conditions of any sale shall be determined in the sole discretion of the Issuer, and none of the Issuer, the Co-Issuer, the Trustee, the Subordinated Note Issuing and Paying Agent, the Subordinated Note Registrar, the Secured Note Registrar or the Collateral Manager 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.

If any person shall become the beneficial owner of a Note who has made or is deemed to have made a prohibited transaction representation or a 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% Limitation (any such person a "**Non-Permitted ERISA Holder**"), the Issuer shall, promptly after discovery that such person is a Non-Permitted ERISA Holder by the Issuer (or upon notice to the Issuer from the Trustee or the Subordinated Note Issuing and Paying Agent if it obtains actual knowledge or the Co-Issuer if it makes the discovery), send notice to such Non-Permitted ERISA Holder demanding that such Non-Permitted ERISA Holder transfer its interest to a person that is not a Non-Permitted ERISA Holder (and that is otherwise eligible to hold such Notes or an interest therein) within 20 days after the date of such notice. If such Non-Permitted ERISA Holder fails to so transfer its Notes, the Issuer or the Collateral Manager acting for the Issuer shall have the right, without further notice to the Non-Permitted ERISA Holder, to sell such Non-Permitted ERISA Holder's interest in such Notes, as applicable, to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Holder (and that is otherwise eligible to hold such Notes or an interest therein) on such terms as the Issuer may choose. The Issuer, or the Collateral Manager acting on behalf of the Issuer, may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Notes and sell such Notes to the highest such bidder; *provided* that the Collateral Manager, its Affiliates and accounts, funds, clients or portfolios established and controlled by the Collateral Manager shall be entitled to bid in any such sale (to the extent any such entity is not a Non-Permitted ERISA Holder). However, the Issuer or the Collateral Manager may select a purchaser by any other means determined by it in its sole discretion. The holder of each Note, the Non-Permitted ERISA Holder and each other person in the chain of title from the holder to the Non-Permitted ERISA Holder, by its acceptance of an interest in the Notes, agrees to cooperate with the Issuer, the Collateral Manager and the Trustee or the Subordinated Note Issuing and Paying Agent, as applicable, 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 Non-Permitted ERISA Holder. The terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and none of the Issuer, the Co-Issuer, the Trustee, the Subordinated Note Issuing and Paying Agent, the Subordinated Note Registrar, the Secured Note Registrar or the Collateral Manager 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.

Cayman Islands placement provisions

The Initial Purchaser has agreed that it has not made and will not make any invitation to the public in the Cayman Islands whether direct or indirect to subscribe for the Notes.

LISTING AND GENERAL INFORMATION

1. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its Global Exchange Market. There can be no assurance that any such listing will be maintained. It is expected that the total expenses related to admission to trading will be approximately €18,340, which includes an up-front payment of the Irish Stock Exchange's annual fee in the amount of €2,000 for the first year of listing. The annual fees of the Irish Stock Exchange for subsequent years will not be paid up-front.

2. Maples and Calder is acting solely in its capacity as listing agent for the Issuer (and not on its own behalf) in connection with the application to the Irish Stock Exchange.

3. For the term of the Notes, copies of the Memorandum of Association and Articles of Association of the Issuer, the Certificate of Incorporation and By-laws of the Co-Issuer, the Indenture, the Collateral Management Agreement, the Subordinated Note Issuing and Paying Agency Agreement and the Collateral Administration Agreement will be available in electronic form for inspection at the principal office of the Issuer and the offices of the Trustee at One Federal Street, 3rd Floor, Boston, MA 02110, Attention: Global Corporate Trust Services - AMMC CLO 16, and copies thereof may be obtained upon request.

4. Since incorporation and as of the date hereof, neither the Issuer nor the Co-Issuer has commenced trading, established any accounts or declared any dividends, except for the transactions described herein. Neither the Issuer nor the Co-Issuer has any loan capital (including term loans) outstanding or created but unissued, or any outstanding mortgages, charges, or other borrowings or indebtedness in the nature of borrowing, including bank overdrafts and liabilities under acceptance credits, hire purchase agreements, guarantee or other contingent liabilities, other than the Notes and other transactions described herein.

5. Neither of the Co-Issuers is, or has since incorporation been, involved in any litigation, governmental proceedings or arbitration proceedings relating to claims in amounts which may have or have had a significant effect on the financial position or profitability of the Co-Issuers nor, so far as either Co-Issuer is aware, is any such litigation, governmental proceedings or arbitration involving it pending or threatened.

6. The issuance by the Issuer of the Notes was authorized by the board of directors of the Issuer by resolutions passed on or about the Closing Date and the issuance by the Co-Issuer of the Secured Notes (other than the Class E Notes) was authorized by the sole director of the Co-Issuer by resolutions passed on the Closing Date.

7. The Issuer is not required by Cayman Islands law, and the Issuer does not intend, to publish annual reports and accounts, nor has it done so as of the date hereof. The Co-Issuer is not required by Delaware State law, and the Co-Issuer does not intend, to publish annual reports and accounts, nor has it done so as of the date hereof. The Indenture, however, requires the Issuer to provide the Trustee with written confirmation, on an annual basis, that to the best of its knowledge following review of the activities of the prior year, no Event of Default has occurred and in continuing or, if one has, specifying the same. The Co-Issuers do not intend to provide to the public post-issuance transaction information regarding the securities to be admitted to trading or the performance of the underlying collateral.

8. As of the date of this Offering Circular, the Rating Agencies are not established in the European Union and are not registered under Regulation (EC) No. 1060/2009 (the "**CRA Regulation**"). In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

9. No website mentioned in this Offering Circular forms part of the document.

10. The Notes sold in offshore transactions in reliance on Regulation S under the Securities Act and represented by the Regulation S Global Notes, have been accepted for clearance through Clearstream and Euroclear. The Notes sold to persons that are Qualified Institutional Buyers and Qualified Purchasers in reliance on Rule 144A

under the Securities Act and represented by Rule 144A Global Notes have been accepted for clearance through DTC. The CUSIP Numbers, Common Codes and International Securities Identification Numbers (ISIN) for the Notes are as follows:

Rule 144A Global			
	Common Code	CUSIP	ISIN
Class A1 Notes	122109275	00176J AA4	US00176JAA43
Class A-F Notes	122109399	00176J AB2	US00176JAB26
Class AX Notes	122109267	00176J AC0	US00176JAC09
Class B1 Notes	122109283	00176J AD8	US00176JAD81
Class B-F Notes	122109291	00176J AE6	US00176JAE64
Class C Notes	122109402	00176J AF3	US00176JAF30
Class D Notes	122109305	00176J AG1	US00176JAG13
Class E Notes	122109313	00176K AA1	US00176KAA16
Subordinated Notes	122109423	00176K AC7	US00176KAC71

Rule 144A Certificated			
	Common Code	CUSIP	ISIN
Class E Notes	122109313	00176K AA1	US00176KAA16
Subordinated Notes	122109423	00176K AC7	US00176KAC71

Regulation S Global			
	Common Code	CUSIP	ISIN
Class A1 Notes	122109330	G0339J AA1	USG0339JAA19
Class A-F Notes	122109437	G0339J AB9	USG0339JAB91
Class AX Notes	122109321	G0339J AC7	USG0339JAC74
Class B1 Notes	122109348	G0339J AD5	USG0339JAD57
Class B-F Notes	122109356	G0339J AE3	USG0339JAE31
Class C Notes	122109445	G0339J AF0	USG0339JAF06
Class D Notes	122109364	G0339J AG8	USG0339JAG88
Class E Notes	122109372	G0339K AA8	USG0339KAA81
Subordinated Notes	122109453	G0339K AB6	USG0339KAB64

Accredited Investor

	CUSIP	ISIN
Class E Notes	00176K AB9	US00176KAB98
Subordinated Notes	00176K AD5	US00176KAD54

LEGAL MATTERS

Certain matters with respect to Cayman Islands law will be passed upon for the Issuer by Maples and Calder. Certain legal matters with respect to the Notes, the Co-Issuers and the Collateral Manager will be passed upon by Keating Muething & Klekamp PLL. K&L Gates LLP will act as counsel to Jefferies as to United States law.

GLOSSARY OF THE DEFINED TERMS

"**Accredited Investor**" has the meaning set forth in Rule 501(a) under the Securities Act.

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

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

(b) without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein), in each case, representing Principal Proceeds; *plus*

(c) the Moody's Collateral Value of all Defaulted Obligations and Deferring Obligations; *provided* that the Adjusted Collateral Principal Amount will be zero for any Defaulted Obligation which the Issuer has owned for more than three years during which such Collateral Obligation was at all times a Defaulted Obligation; *plus*

(d) the aggregate, for each Discount Obligation, of the purchase price thereof (expressed as a percentage) (excluding accrued interest and any syndication or upfront fees paid to the Issuer, but including, at the discretion of the Collateral Manager (with notice to the Trustee and the Collateral Administrator), the amount of any related transaction costs (including assignment fees) paid by the Issuer to the seller of the Collateral Obligation) *multiplied by* its outstanding par amount, expressed as a dollar amount; *minus*

(e) the Excess CCC/Caa Adjustment Amount;

provided that, (i) with respect to any Collateral Obligation that satisfies more than one of the definitions of Defaulted Obligation, Discount Obligation, Deferring Obligation or any asset that falls into the Excess CCC/Caa Adjustment Amount, such Collateral Obligation shall, for the purposes of this definition, be treated as belonging to the category of Collateral Obligations which results in the lowest Adjusted Collateral Principal Amount on any date of determination and (ii) any Collateral Obligation that has a scheduled maturity that occurs after the Stated Maturity of the Notes shall be deemed to have a value of zero for purposes of this definition.

"**Adjusted Weighted Average Moody's Rating Factor**" means, as of any date of determination, a number equal to the Weighted Average Moody's Rating Factor determined in the following manner: for purposes of determining a Moody's Default Probability Rating, Moody's Rating or Moody's Derived Rating in connection with determining the Weighted Average Moody's Rating Factor for purposes of this definition, the last paragraph of the definition of each of "Moody's Default Probability Rating", "Moody's Rating" and "Moody's Derived Rating" shall be disregarded, and instead each applicable rating on credit watch by Moody's that is on (a) positive watch will be treated as having been upgraded by one rating subcategory, (b) negative watch will be treated as having been downgraded by two rating subcategories and (c) negative outlook will be treated as having been downgraded by one rating subcategory.

"**Administrative Expense Cap**" means an amount equal on any Payment Date (when taken together with any Administrative Expenses (other than, in the case of clause (ii) below, Administrative Expenses related to the costs and expenses incurred by the Co-Issuers in connection with the issuance of the Notes on the Closing Date and any additional issuance) that are paid during the period since the preceding Payment Date or in the case of the first Payment Date, the period since the Closing Date either (i) pursuant to any of clause (A) under "Summary of Terms—Application of Interest Proceeds", clause (A) under "Summary of Terms—Application of Principal Proceeds" and clause (A) of the Special Priority of Payments described under "Description of the Notes—Priority of Payments" (including any excess applied in accordance with sub-clause (1) of the proviso to this definition) or (ii) out of funds standing to the credit of the Expense Reserve Account), to the sum of (a) 0.0175% per annum (prorated for the related Interest Accrual Period on the basis of a 360-day year consisting of twelve 30-day months) of the Fee Basis Amount at the beginning of the Collection Period relating to such Payment Date and (b) U.S.$200,000 per annum (prorated for the related Interest Accrual Period on the basis of a 360-day year consisting of twelve 30-day months); *provided* that (1) in respect of any Payment Date after the third Payment Date following the Closing Date,

if the aggregate amount of Administrative Expenses (other than, in the case of clause (y) below, Administrative Expenses related to the costs and expenses incurred by the Co-Issuers in connection with the issuance of the Notes on the Closing Date and any additional issuance) that are paid (x) pursuant to any of clause (A) under "Summary of Terms—Application of Interest Proceeds", clause (A) under "Summary of Terms—Application of Principal Proceeds" and clause (A) of the Special Priority of Payments described under "Description of the Notes—Priority of Payments" (including any excess applied in accordance with this proviso) or (y) out of funds standing to the credit of the Expense Reserve Account on the three immediately preceding Payment Dates and during the related Collection Periods is less than the stated Administrative Expense Cap (without regard to any excess applied in accordance with this proviso) in the aggregate for such three preceding Payment Dates, then the excess may be applied to the Administrative Expense Cap with respect to the then-current Payment Date; and (2) in respect of the third Payment Date following the Closing Date, such excess amount shall be calculated based on the Payment Dates preceding such Payment Date.

"**Administrative Expenses**" include fees, expenses (including indemnities) and other amounts due or accrued with respect to any Payment Date (including, with respect to any Payment Date, any such amounts that were due and not paid on any prior Payment Date) and payable in the following order by the Issuer or the Co-Issuer: *first*, on a *pro rata* basis, to the Trustee pursuant to the Indenture and to the Subordinated Note Issuing and Paying Agent pursuant to the Subordinated Note Issuing and Paying Agency Agreement, *second*, to the Collateral Administrator pursuant to the Collateral Administration Agreement and to the Bank in each of its capacities under the Transaction Documents, *third*, on a *pro rata* basis, the following amounts (excluding indemnities) to the following parties:

(i) the Independent accountants, agents (other than the Collateral Manager) and counsel of the Issuer for fees and expenses;

(ii) the Rating Agencies for fees and expenses (including any annual fee, amendment fees and surveillance fees) in connection with any rating of the Secured Notes or in connection with the rating of (or provision of credit estimates in respect of) any Collateral Obligations;

(iii) the Collateral Manager under the Indenture and the Collateral Management Agreement, including reasonable expenses of the Collateral Manager (including fees and expenses for its accountants, agents and counsel) incurred in connection with the purchase or sale of any Collateral Obligations, any other expenses incurred in connection with the Collateral Obligations and certain amounts payable pursuant to the Collateral Management Agreement but excluding the Management Fee;

(iv) the Administrator pursuant to the Administration Agreement and the Registered Office Agreement; and

(v) any other Person in respect of any other fees or expenses permitted under the Indenture and the documents delivered pursuant to or in connection with the Indenture (including any expenses related to any Blocker Subsidiary, any FATCA Compliance Costs, any Re-Pricing, any Optional Redemption, the payment of facility rating fees, Petition Expenses and all legal and other fees and expenses incurred in connection with the purchase or sale of any Collateral Obligations and any other expenses incurred in connection with the Collateral Obligations) and the Notes, including but not limited to, amounts owed to the Co-Issuer pursuant to the Indenture and any amounts due in respect of the listing of the Notes on any stock exchange or trading system;

and *fourth*, on a *pro rata* basis, indemnities payable to any Person pursuant to any Transaction Document not otherwise paid; *provided* that (x) amounts due in respect of actions taken on or before the Closing Date shall not be payable as Administrative Expenses but shall be payable only from the Expense Reserve Account pursuant to the Indenture, (y) for the avoidance of doubt, amounts that are expressly payable to any person under the Priority of Payments in respect of an amount that is stated to be payable as an amount other than as Administrative Expenses (including interest and principal in respect of the Notes) shall not constitute Administrative Expenses and (z) no amount shall be payable to the Collateral Manager as Administrative Expenses in reimbursement of fees or expenses of any third party unless the Collateral Manager shall have first paid the fees or expenses that are the subject of such reimbursement.

"**Affiliate**" means, with respect to a Person, (a) any other Person who, directly or indirectly, is in control of, or controlled by, or is under common control with, such Person or (b) any other person who is a director, officer, employee or general partner (i) of such Person, (ii) of any subsidiary or parent company of such Person or (iii) of any Person described in clause (a) of this sentence. For the purposes of this definition, control of a Person means the power, direct or indirect, (x) to vote more than 50% of the securities having ordinary voting power for the election of directors of such Person or (y) to direct or cause the direction of the management and policies of such person whether by contract or otherwise. For purposes of this definition, no entity shall be deemed an Affiliate of the Issuer or the Co-Issuer solely because the Administrator or any of its Affiliates acts as administrator or share trustee for such entity.

"**Aggregate Outstanding Amount**" means, with respect to any of the Notes as of any date, the aggregate unpaid principal amount of such Notes outstanding (including any Secured Note Deferred Interest previously added to the principal amount of any Class of Secured Notes that remains unpaid) on such date; *provided* that with respect to any Subordinated Notes, payments under such Subordinated Notes shall not result in a reduction in the Aggregate Outstanding Amount of such Subordinated Notes. For the avoidance of doubt, the "Aggregate Outstanding Amount" of the Class AX Notes means, as of any date, the difference between (A) U.S.$6,000,000 *minus* (B) the aggregate amount of all payments made on the principal amount of the Class AX Notes.

"**Aggregate Principal Balance**" means, when used with respect to all or a portion of the Collateral Obligations or the Assets, the sum of the Principal Balances of all or of such portion of the Collateral Obligations or Assets, respectively.

"**AIFMD**" means the European Union Directive 2011/61/EU on Alternative Investment Fund Managers (as amended from time to time and as implemented by Member States of the European Union) together with any implemented or delegated regulations, technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.

"**Anniversary Date**" means the three calendar month anniversary of the Closing Date

"**Applicable Advance Rate**" means, for each Collateral Obligation and for the applicable number of Business Days between the certification date for a sale or participation as described in "Description of the Notes—Optional Redemption—Redemption Procedures" and the expected date of such sale or participation, the percentage specified below:

	Same Day	**1-2 days**	**3-5 days**	**6-15 days**
Senior Secured Loans with a Market Value of:				
90% or more	100%	93%	92%	88%
below 90%	100%	80%	73%	60%
Other Collateral Obligations with a Moody's Rating of at least "B3" and a Market Value of 90% or more	100%	89%	85%	75%
All other Collateral Obligations	100%	75%	65%	45%

"**Approved Index List**" means the nationally recognized indices specified in a schedule to the Indenture as amended from time to time by the Collateral Manager with prior notice of any amendment to Moody's and Fitch and satisfaction of the Moody's Rating Condition in respect of such amendment and a copy of any such amended Approved Index List to the Collateral Administrator.

"**Asset-backed Commercial Paper**" means commercial paper or other short-term obligations of a program that primarily issues externally rated commercial paper backed by assets or exposures held in a bankruptcy-remote, special purpose entity.

"**Available Funds**" means with respect to any Payment Date, the amount of any positive balance (of cash and Eligible Investments) in the Collection Account as of the Determination Date relating to such Payment Date and, with respect to any other date, such amount as of that date.

"**Bank**" means U.S. Bank National Association, in its individual capacity and not as Trustee, or any successor thereto.

"**Blocker Subsidiary**" means an entity treated as a corporation for U.S. federal income tax purposes, 100% of the equity interests in which are owned directly or indirectly by the Issuer.

"**Bond**" means a debt security (that is not a Loan or a Participation Interest in a Loan).

"**Bridge Loan**" means any loan or other obligation that (x) is incurred in connection with a merger, acquisition, consolidation, or sale of all or substantially all of the assets of a person or similar transaction and (y) by its terms, is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings (it being understood that any such loan or debt security that has a nominal maturity date of one year or less from the incurrence thereof but has a term-out or other provision whereby, automatically or at the sole option of the obligor thereof, the maturity of the indebtedness thereunder may be extended to a later date is not a Bridge Loan).

"**Business Day**" means any day other than (i) a Saturday or a Sunday or (ii) a day on which commercial banks are authorized or required by applicable law, regulation or executive order to close in New York, New York or in the city in which the corporate trust office of the Trustee is located or, for any final payment of principal, in the relevant place of presentation.

"**Caa Collateral Obligation**" means a Collateral Obligation (other than a Defaulted Obligation or a Deferring Obligation) with a Moody's Rating of "Caa1" or lower.

"**Calculation Agent**" means the calculation agent appointed by the Issuer, initially the Bank, for purposes of determining LIBOR for each Interest Accrual Period.

"**CCC Collateral Obligation**" means a Collateral Obligation (other than a Defaulted Obligation or a Deferring Obligation) with an S&P Rating of "CCC+" or lower.

"**CCC/Caa Collateral Obligations**" means the CCC Collateral Obligations and/or the Caa Collateral Obligations, as the context requires.

"**CCC/Caa Excess**" means the amount equal to the greater of:

(i) the excess of the Aggregate Principal Balance of all Caa Collateral Obligations over an amount equal to 7.5% of the Collateral Principal Amount as of the current Determination Date; and

(ii) so long as any Class A1 Notes or Class A-F Notes remain outstanding, the excess of the Aggregate Principal Balance of all CCC Collateral Obligations over an amount equal to 7.5% of the Collateral Principal Amount as of the current Determination Date;

provided that, in determining which of the CCC/Caa Collateral Obligations (or portion of a CCC/Caa Collateral Obligation) shall be included in the CCC/Caa Excess, the CCC/Caa Collateral Obligations with the lowest Market Value (assuming that such Market Value is expressed as a percentage of the Principal Balance of such Collateral Obligations as of such Determination Date) shall be deemed to constitute such CCC/Caa Excess.

"**Class**" means, in the case of (a) the Secured Notes, all of the Secured Notes having the same Stated Maturity and designation and (b) the Subordinated Notes, all of the Subordinated Notes. For purposes of any vote, request, demand, authorization, direction, notice, consent or waiver or similar action, the Class A1 Notes, the Class A-F Notes and the Class AX Notes being *pari passu* in right of payment of interest will vote, request, demand, authorize,

direct, or give notice, consent or waiver or take such similar action together as a single Class, except that the Class A1 Notes, the Class A-F Notes and the Class AX Notes will give consents (including, in the case of the Class AX Notes, in connection with any Re-Pricing of the Class AX Notes) and will vote separately by sub-class in connection with any supplemental indenture which affects any such sub-class exclusively and differently from the Holders of any other Class or sub-class (including, without limitation, any supplemental indenture that would reduce the amount of interest or principal payable on such sub-class). The Class B1 Notes and the Class B-F Notes are each sub-classes of the same Class of Notes, the Class B Notes. For purposes of any vote, request, demand, authorization, direction, notice, consent or waiver or similar action, the Class B1 Notes and the Class B-F Notes being *pari passu* in right of payment will vote, request, demand, authorize, direct, or give notice, consent or waiver or take such similar action together as a single Class, except that the Class B1 Notes and the Class B-F Notes will give consents and will vote separately by sub-class in connection with any supplemental indenture which affects either such sub-class exclusively and differently from the Holders of any other Class or sub-class (including, without limitation, any supplemental indenture that would reduce the amount of interest or principal payable on such sub-class).

"**Class A Notes**" means, collectively, the Class A1 Notes, the Class A-F Notes and the Class AX Notes, for so long as any or all of such Classes remains Outstanding.

"**Class A/B Coverage Tests**" means the Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class A Notes (excluding the Class AX Notes) and the Class B Notes (in the aggregate and not separately by Class).

"**Class A1 Notes**" means the Class A1 Senior Secured Floating Rate Notes issued pursuant to the Indenture.

"**Class AX Notes**" means the Class AX Amortizing Senior Secured Floating Rate Notes issued pursuant to the Indenture.

"**Class A-F Notes**" means the Class A-F Senior Secured Fixed Rate Notes issued pursuant to the Indenture.

"**Class AX Principal Amortization Amount**" means for each Payment Date commencing with the July, 2016 Payment Date and ending with the April, 2019 Payment Date, the lower of the Aggregate Outstanding Amount of the Class AX Notes and $500,000.

"**Class B Notes**" means the Class B1 Notes and the Class B-F Notes, collectively.

"**Class B1 Notes**" means the Class B1 Senior Secured Floating Rate Notes issued pursuant to the Indenture.

"**Class B-F Notes**" means the Class B-F Senior Secured Fixed Rate Notes issued pursuant to the Indenture.

"**Class C Coverage Tests**" means the Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class C Notes.

"**Class C Notes**" means the Class C Secured Deferrable Floating Rate Notes issued pursuant to the Indenture.

"**Class D Coverage Tests**" means the Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class D Notes.

"**Class D Notes**" means the Class D Secured Deferrable Floating Rate Notes issued pursuant to the Indenture.

"**Class E Coverage Test**" means the Overcollateralization Ratio Test as applied with respect to the Class E Notes.

"**Class E Notes**" means the Class E Secured Deferrable Floating Rate Notes issued pursuant to the Indenture.

"**Closing Date**" means on or about May 14, 2015.

"**Closing Date ERISA Notes**" means ERISA Restricted Notes sold to a Benefit Plan Investor or a Controlling Person on the Closing Date.

"**Code**" means United States Internal Revenue Code of 1986, as amended, and the Treasury regulations promulgated thereunder.

"**Co-Issued Notes**" means the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.

"**Co-Issuer**" means AMMC CLO 16, Corp.

"**Co-Issuers**" means the Issuer together with the Co-Issuer.

"**Collateral Administration Agreement**" means the agreement dated as of the Closing Date among the Issuer, the Collateral Manager and the Collateral Administrator, as amended from time to time.

"**Collateral Administrator**" means U.S. Bank National Association, in its capacity as collateral administrator under the Collateral Administration Agreement, and any successor thereto.

"**Collateral Interest Amount**" means, as of any date of determination, without duplication, the aggregate amount of Interest Proceeds that has been received or that is expected to be received (other than Interest Proceeds expected to be received from Defaulted Obligations and Deferring Obligations, but including Interest Proceeds actually received from Defaulted Obligations and Deferring Obligations), in each case during the Collection Period in which such date of determination occurs (or after such Collection Period but on or prior to the related Payment Date if such Interest Proceeds would be treated as Interest Proceeds with respect to such Collection Period).

"**Collateral Management Agreement**" means an agreement to be entered into between the Issuer and the Collateral Manager relating to the management of the Collateral Obligations and the other Assets by the Collateral Manager on behalf of the Issuer.

"**Collateral Manager**" means American Money Management Corporation, a corporation organized under the laws of the State of Ohio, until a successor Person shall have become the Collateral Manager pursuant to the provisions of the Collateral Management Agreement, and thereafter "Collateral Manager" shall mean such successor Person.

"**Collateral Manager Notes**" means, as of any date of determination, (a) all Notes held on such date by (i) the Collateral Manager, (ii) any Affiliate of the Collateral Manager or (iii) any account, fund, client or portfolio managed or advised on a discretionary basis by the Collateral Manager or any of its Affiliates and (b) all Notes as to which economic exposure is held on such date (whether through any derivative financial transaction or otherwise) by any Person identified in the foregoing clause (a).

"**Collateral Manager Replacement Period**" means the period from and including the date on which the Issuer or Trustee removes the Collateral Manager for cause in accordance with the Collateral Management Agreement and ending on the date a successor Collateral Manager appointed in accordance with the Collateral Management Agreement, as the case may be, assumes in writing all of the Collateral Manager's duties and obligations under the Collateral Management Agreement and any arrangements entered into with holders of the Notes or has been appointed by a court of competent jurisdiction, as applicable.

"**Collateral Principal Amount**" means, as of any date of determination, the sum of (a) the Aggregate Principal Balance of the Collateral Obligations (other than Defaulted Obligations) and (b) without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds.

"**Collection Period**" means, (i) with respect to the first Payment Date, the period commencing on the Closing Date and ending at the close of business on the eighth Business Day prior to the first Payment Date; and (ii) with respect to any other Payment Date, the period commencing on the day immediately following the prior Collection Period and ending (a) in the case of the final Collection Period preceding the latest Stated Maturity of any Class of Notes,

on the day preceding such Stated Maturity, (b) in the case of the final Collection Period preceding an Optional Redemption, Clean-Up Call Redemption or Tax Redemption in whole of the Notes, on the day preceding the Redemption Date and (c) in any other case, at the close of business on the eighth Business Day prior to such Payment Date.

"**Controlling Class**" means the Class A Notes (excluding the Class AX Notes) so long as any Class A1 Notes or Class A-F Notes are outstanding; then the Class B Notes so long as any Class B Notes are outstanding; then the Class C Notes so long as any Class C Notes are outstanding; then the Class D Notes so long as any Class D Notes are outstanding; then the Class E Notes so long as any Class E Notes are outstanding; and then, collectively, the Subordinated Notes. The Class AX Notes will not be the Controlling Class.

"**Cov-Lite Loan**" means a Collateral Obligation the Underlying Instruments for which do not (i) contain any financial covenants or (ii) require the borrower thereunder to comply with any Maintenance Covenants (regardless of whether compliance with one or more Incurrence Covenants is otherwise required by such Underlying Instruments); *provided* that, a Collateral Obligation described in clause (i) or (ii) above which either contains a cross-default provision to, or is *pari passu* with, another Collateral Obligation of the underlying obligor forming part of the same loan facility that requires the underlying obligor to comply with a Maintenance Covenant will be deemed not to be a Cov-Lite Loan.

"**Credit Improved Criteria**" means the criteria that will be met if, with respect to any Collateral Obligation, any of the following is satisfied on any date of determination: (a) the positive difference between its market price (expressed as a percentage of par value) on such date and its purchase price is greater than 1.0% or (b) the change in price of such Collateral Obligation during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either is more positive, or less negative, as the case may be, than the percentage change in the average price of any index specified on the Approved Index List *plus* 0.50% over the same period.

"**Credit Improved Obligation**" means any Collateral Obligation which, in the Collateral Manager's judgment exercised in accordance with the Collateral Management Agreement (as certified to the Trustee in writing), has significantly improved in credit quality after it was acquired by the Issuer, which improvement may (but need not) be evidenced by one of the following: (a) such Collateral Obligation satisfies the Credit Improved Criteria, (b) such Collateral Obligation has been upgraded at least one rating sub-category by Moody's or S&P and remains at a rating above the rating at purchase or has been placed and remains on credit watch with positive implication by Moody's or S&P, (c) the issuer of or obligor on such Collateral Obligation has raised equity capital or other capital subordinated to the Collateral Obligation or (d) the issuer of or obligor on such Collateral Obligation has, in the Collateral Manager's reasonable commercial judgment, shown improved results or possesses less credit risk, in each case since such Collateral Obligation was acquired by the Issuer; *provided* that during a Restricted Trading Period, in addition to the foregoing, a Collateral Obligation will qualify as a Credit Improved Obligation only if (i) it has been upgraded by Moody's or S&P at least one rating sub-category and remains at a rating above the rating at purchase or has been placed and remains on a credit watch with positive implication by Moody's or S&P since it was acquired by the Issuer, (ii) the Credit Improved Criteria are satisfied with respect to such Collateral Obligation or (iii) a Majority of the Controlling Class votes to treat such Collateral Obligation as a Credit Improved Obligation.

"**Credit Risk Criteria**" means the criteria that will be met if, with respect to any Collateral Obligation, any of the following is satisfied on any date of determination: (a) the negative difference between its market price (expressed as a percentage of par value) on such date and its purchase price is greater than 1.0% or (b) the change in price of such Collateral Obligation during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either is more negative, or less positive, as the case may be, than the percentage change in the average price of any index specified on the Approved Index List less 0.50% over the same period.

"**Credit Risk Obligation**" means any Collateral Obligation that, in the Collateral Manager's judgment exercised in accordance with the Collateral Management Agreement (as certified to the Trustee in writing), has a significant risk of declining in credit quality or price; *provided* that during a Restricted Trading Period, a Collateral Obligation will qualify as a Credit Risk Obligation for purposes of sales of Collateral Obligations only if, in addition to the foregoing, (i) such Collateral Obligation has been downgraded by Moody's or S&P at least one rating sub-category and remains at a rating below the rating at purchase or has been placed and remains on a credit watch with negative

implication by Moody's or S&P since it was acquired by the Issuer, (ii) the Credit Risk Criteria are satisfied with respect to such Collateral Obligation or (iii) a Majority of the Controlling Class 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 Member States of the European Union) 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 Articles 404-410 of the CRR together with any guidelines and technical standards published in relation thereto as may be effective from time to time; *provided* that any reference to the CRR Retention Requirements shall be deemed to include any successor or replacement provisions of Articles 404-410 of the CRR included in any European Union directive or regulation.

"**Current Pay Obligation**" means any Collateral Obligation (other than a DIP Collateral Obligation) that would otherwise be treated as a Defaulted Obligation but as to which no payments are due and payable that are unpaid (disregarding any forbearance or grace period in excess of 90 days with respect to any payment that is unpaid but would be due and payable but for such forbearance or grace period) and with respect to which the Collateral Manager has certified to the Trustee (with a copy to the Collateral Administrator) in writing that it believes, in its reasonable business judgment, that (a) the issuer or obligor of such Collateral Obligation will continue to make all scheduled payments (including fees, as applicable, in the case of a Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation) thereon and will pay the principal thereof by maturity or as otherwise contractually due, (b) if the issuer or obligor is subject to a bankruptcy proceeding, it has been the subject of an order of a bankruptcy court that permits it to make the scheduled payments on such Collateral Obligation and all required payments (including fees, as applicable, in the case of a Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation) and principal payments due thereunder have been paid in cash when due, (c) the Collateral Obligation has a Market Value of at least 80% of its par value and (d) such Collateral Obligation (A) has a Moody's Rating of at least "Caa1" and a Market Value of at least 80% of its par value or (B) has a Moody's Rating of at least "Caa2" and its Market Value is at least 85% of its par value (Market Value being determined, solely for the purposes of clauses (c) and (d), without taking into consideration clause (iii) of the definition of the term "**Market Value**").

"**Current Portfolio**" means, at any time, the portfolio of Collateral Obligations and Eligible Investments, representing Principal Proceeds (determined in accordance with certain assumptions included in the Indenture), then held by the Issuer.

"**Defaulted Obligation**" means any Collateral Obligation included in the Assets as to which:

(a) a default as to the payment of principal and/or interest has occurred and is continuing with respect to such Collateral Obligation (without regard to any grace period applicable thereto, or waiver or forbearance thereof) (*provided* that, in the case of a default that in the Collateral Manager's judgment, as certified to the Trustee in writing, is not due to credit-related causes) such default continues after the passage of five Business Days or seven calendar days, whichever is greater, but in no case beyond the passage of any grace period applicable thereto);

(b) a default as to the payment of principal and/or interest has occurred and is continuing on another debt obligation of the same issuer or obligor which is senior or *pari passu* in right of payment to such Collateral Obligation (without regard to any grace period applicable thereto, or waiver or forbearance thereof) (*provided* that, in the case of a default that in the Collateral Manager's judgment, as certified to the Trustee in writing, is not due to credit-related causes) such default continues after the passage of five Business Days or seven calendar days, whichever is greater, but in no case beyond the passage of any grace period applicable thereto); *provided* that both the Collateral Obligation and such other debt obligation are full recourse obligations of the applicable issuer or obligor or secured by the same collateral;

(c) the issuer or obligor or others have instituted proceedings to have the issuer or obligor adjudicated as bankrupt or insolvent or placed into receivership and such proceedings have not been stayed or dismissed or such issuer or obligor has filed for protection under Chapter 11 of the United States Bankruptcy Code;

(d) such Collateral Obligation has an S&P Rating of "SD" or "CC" or lower or, with respect to such Collateral Obligation, the obligor has a "probability of default" rating assigned by Moody's of "D" or "LD" or, in either case, had such rating before such rating was withdrawn;

(e) such Collateral Obligation is *pari passu* or subordinate in right of payment as to the payment of principal and/or interest to another debt obligation of the same issuer or obligor which has an S&P Rating of "SD" or "CC" or lower or, the obligor on such Collateral Obligation has a "probability of default" rating assigned by Moody's of "D" or "LD" or, in either case, had such rating before such rating was withdrawn; *provided* that both the Collateral Obligation and such other debt obligation are full recourse obligations of the applicable issuer or obligor or secured by the same collateral;

(f) the Collateral Manager has received notice or has knowledge that a default has occurred under the Underlying Instrument(s) and any applicable grace period has expired and the Holders of such Collateral Obligation have accelerated the repayment of the Collateral Obligation (but only until such acceleration has been rescinded) in the manner provided in such Underlying Instrument(s);

(g) the Collateral Manager has in its reasonable commercial judgment (as certified to the Trustee in writing) otherwise declared such debt obligation to be a "Defaulted Obligation";

(h) such Collateral Obligation is a Participation Interest with respect to which the Selling Institution has defaulted in any respect in the performance of any of its payment obligations under the Participation Interest; or

(i) such Collateral Obligation is a Participation Interest in a loan that would, if such loan were a Collateral Obligation, constitute a "Defaulted Obligation" or with respect to the Selling Institution has an S&P Rating of "SD" or "CC" or lower or has a "probability of default" rating assigned by Moody's of "D" or "LD" or, in either case, had such rating before such rating was withdrawn;

provided that (x) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to any of clauses (b) through (e) and (i) above if such Collateral Obligation (or, in the case of a Participation Interest, the underlying Senior Secured Loan, Second Lien Loan or Unsecured Loan) is a Current Pay Obligation (*provided* that the Aggregate Principal Balance of Current Pay Obligations exceeding 7.5% of the Collateral Principal Amount will be treated as Defaulted Obligations) and (y) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to any of clauses (b), (c), (e) and (i) above, if such Collateral Obligation (or, in the case of a Participation Interest, the underlying Senior Secured Loan, Second Lien Loan or Unsecured Loan) is a DIP Collateral Obligation.

Each obligation received in connection with a Distressed Exchange that (a) would be a Collateral Obligation but for the fact that it is a Defaulted Obligation or (b) would satisfy the proviso in the definition "Distressed Exchange" but for the fact that it exceeds the percentage limit therein, shall in each case be deemed to be a Defaulted Obligation, and each other obligation received in connection with a Distressed Exchange shall be deemed to be an Equity Security.

"**Deferrable Obligation**" means a Collateral Obligation which by its terms permits the deferral and/or capitalization of payment of accrued, unpaid interest.

"**Deferring Obligation**" means a Deferrable Obligation that is deferring the payment of interest due thereon and has been so deferring the payment of interest due thereon (i) with respect to Collateral Obligations that have a Moody's Rating of at least "Baa3", for the shorter of two consecutive accrual periods or one year, and (ii) with respect to Collateral Obligations that have a Moody's Rating of "Ba1" or below, for the shorter of one accrual period or six consecutive months, which deferred capitalized interest has not, as of the date of determination, been paid in cash; *provided* that such Deferrable Obligation will cease to be a Deferring Obligation at such time as it (a) ceases to defer

or capitalize the payment of interest, (b) pays in cash all accrued and unpaid interest and (c) commences payment of all current interest in cash.

"**Delayed Drawdown Collateral Obligation**" means any 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 on one or more fixed borrowing dates, and (c) does not permit the re-borrowing of any amount previously repaid by the borrower thereunder; but any such Collateral Obligation will be a Delayed Drawdown Collateral Obligation only until all commitments by the Issuer to make advances to the borrower expire or are terminated or are reduced to zero.

"**Designated Principal Proceeds**" means an amount from the net proceeds of the issuance of the Notes and/or Principal Proceeds that may be designated by the Collateral Manager as Interest Proceeds on or prior to the second Determination Date (but only if (x) sufficient proceeds to satisfy the Issuer's binding commitments to acquire Collateral Obligations have been set aside and (y) the Issuer has acquired Collateral Obligations prior to such Determination Date that satisfy the Overcollateralization Ratio Test for each Class of Secured Notes, the Collateral Quality Test, the Target Initial Par Condition and the Concentration Limitations).

"**Determination Date**" means the last day of each Collection Period.

"**DIP Collateral Obligation**" means a loan made to a debtor-in-possession pursuant to Section 364 of the United States Bankruptcy Code having the priority allowed by either Section 364(c) or 364(d) of the United States Bankruptcy Code and fully secured by senior liens.

"**Discount Obligation**" means any Collateral Obligation forming part of the Assets that was purchased for less than (a) 85.0% of its Principal Balance, if such Collateral Obligation has a Moody's Rating lower than "B3", or (b) 80.0% of its Principal Balance, if such Collateral Obligation has a Moody's Rating of "B3"or higher; *provided* that:

(x) such Collateral Obligation shall cease to be a Discount Obligation at such time as the Market Value (expressed as a percentage of the par amount of such Collateral Obligation) determined for such Collateral Obligation on each day during any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Obligation, equals or exceeds 90.0% on each such day;

(y) any Collateral Obligation that would otherwise be considered a Discount Obligation, but that is purchased in accordance with the Investment Criteria with the proceeds of sale of a Collateral Obligation that was not a Discount Obligation at the time of its purchase, so long as such purchased Collateral Obligation (A) is purchased or committed to be purchased within five Business Days of such sale, (B) is purchased at a purchase price (expressed as a percentage of the par amount of such Collateral Obligation) equal to or greater than the sale price of the sold Collateral Obligation, (C) is purchased at a purchase price (expressed as a percentage of the par amount of such Collateral Obligation) not less than 65.0% and (D) has a Moody's Default Probability Rating equal to or greater than the Moody's Default Probability Rating of the sold Collateral Obligation, will not be considered to be a Discount Obligation; and

(z) clause (y) above in this proviso shall not apply to any such Collateral Obligation at any time on or after the acquisition by the Issuer of such Collateral Obligation if, as determined at the time of such acquisition, such application would result in (A) more than 5.0% of the Collateral Principal Amount consisting of Collateral Obligations to which such clause (y) has been applied (or more than 2.5% of the Collateral Principal Amount consisting of Collateral Obligations to which such clause (y) has been applied if the purchase price of the Collateral Obligation is less than 75.0% of the Principal Balance thereof) or (B) the Aggregate Principal Balance of all Collateral Obligations to which such clause (y) has been applied since the Closing Date being more than 10.0% of the Target Initial Par Amount;

provided further that, for purposes of determining whether a Collateral Obligation constitutes a Discount Obligation, prices of Collateral Obligations purchased on different dates shall not be averaged pursuant to a Trading Plan or otherwise.

"**Distressed Exchange**" means, in connection with any Collateral Obligation, a distressed exchange or other debt restructuring has occurred, as reasonably determined by the Collateral Manager (as certified to the Trustee in writing), pursuant to which the issuer or obligor of such Collateral Obligation has issued to the holders of such Collateral Obligation a new security or package of securities or obligations that, in the sole judgment of the Collateral Manager, amounts to a diminished financial obligation or has the purpose of helping the issuer or obligor of such Collateral Obligation avoid default; *provided* that no Distressed Exchange shall be deemed to have occurred if the securities or obligations received by the Issuer in connection with such exchange or restructuring satisfy the definition of "Collateral Obligation" (*provided* that the Aggregate Principal Balance of all securities and obligations to which this proviso applies or has applied, measured cumulatively from the Closing Date onward, may not exceed 30.0% of the Target Initial Par Amount).

"**Domicile**" or "**Domiciled**" means, with respect to the issuer of or obligor with respect to a Collateral Obligation (which, for the purposes of this definition, will include only the borrower or issuer of such Collateral Obligation or if there are multiple borrowers or issuers for such Collateral Obligation, the principal borrower or issuer as determined by the Collateral Manager): (a) except as provided in clause (b) below, its country of organization or (b) if it is organized in a Tax Jurisdiction, each of such jurisdiction and the country in which, in the Collateral Manager's good faith estimate, a substantial portion of its 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 issuer or obligor).

"**DTC**" means The Depository Trust Company, its nominees and their respective successors.

"**Effective Date**" means the earlier to occur of (i) September 5, 2015 and (ii) the first date on which the Collateral Manager certifies to the Trustee and the Collateral Administrator that the Target Initial Par Condition has been satisfied.

"**Eligible Custodian**" means a custodian that satisfies, *mutatis mutandis*, the eligibility requirements in the Indenture that are applicable to an entity acting as Trustee under the Indenture.

"**Eligible Investments**" means any United States dollar investment that, at the time it is delivered to the Trustee (directly or through an intermediary or bailee), (x) matures not later than the earlier of (A) the date that is 60 days after the date of delivery thereof and (B) the Business Day immediately preceding the Payment Date immediately following the date of delivery thereof, (y) is not a "commodity interest" as such term is used in the definition of "commodity pool" in Section 1a of the Commodity Exchange Act, as amended, and (z) is one or more of the following obligations or securities:

(i) direct Registered obligations of, and Registered obligations the timely payment of principal and interest on which is fully and expressly guaranteed by, the United States of America or any agency or instrumentality of the United States of America the obligations of which are expressly backed by the full faith and credit of the United States of America that satisfies the Moody's Eligible Investment Required Ratings and the Fitch Eligible Investment Required Ratings at the time of such investment or contractual commitment providing for such investment; **provided** that notwithstanding the foregoing, the following securities shall not be Eligible Investments: (i) General Services Administration participation certificates, (ii) U.S. Maritime Administration guaranteed Title XI financing; (iii) Financing Corp. debt obligations; (iv) Farmers Home Administration Certificates of Beneficial Ownership; and (v) Washington Metropolitan Area Transit Authority guaranteed transit bonds;

(ii) demand and time deposits in, certificates of deposit of, trust accounts with, bankers' acceptances issued by, or federal funds sold by any depository institution or trust company incorporated under the laws of the United States of America (including the Bank) or any state thereof and subject to supervision and examination by federal and/or state banking authorities, in each case payable within 183 days after issuance, so long as the commercial paper and/or the debt obligations of such depository institution or trust company (or, in the case of the principal depository institution in a holding company system, the commercial paper or debt obligations of such holding company) at the time of such investment or

contractual commitment providing for such investment have the Moody's Eligible Investment Required Ratings and the Fitch Eligible Investment Required Ratings;

(iii) commercial paper or other short-term obligations (other than Asset-backed Commercial Paper or extendible commercial paper) with the Moody's Eligible Investment Required Ratings and the Fitch Eligible Investment Required Ratings and that either bear interest or are sold at a discount from the face amount thereof and have a maturity of not more than 183 days from their date of issuance; and

(iv) registered off-shore money market funds that have, at all times, credit ratings of "Aaa-mf" by Moody's and "AAAmmf" by Fitch, respectively;

provided that (1) Eligible Investments purchased with funds in the Collection Account shall be held until maturity except as otherwise specifically provided herein and shall include only such obligations or securities, other than those referred to in clause (iv) above, as mature (or are putable at par to the issuer thereof) no later than the earlier of (a) the date that is 60 days after the date of delivery thereof and (b) the Business Day prior to the next Payment Date immediately following the date of delivery thereof unless such Eligible Investments are issued by the Trustee in its capacity as a banking institution, in which event such Eligible Investments may mature on such Payment Date; and (2) none of the foregoing obligations or securities shall constitute Eligible Investments (a) if all, or substantially all, of the remaining amounts payable thereunder consist of interest and not principal payments, (b) if payments with respect to such obligations or securities or proceeds of disposition are subject to withholding taxes by any jurisdiction, except for withholding taxes imposed under FATCA, unless the payor is required to make "gross-up" payments that cover the full amount of any such withholding tax on an after-tax basis, (c) if the acquisition (including the manner of acquisition), ownership, enforcement and disposition of such obligations or securities will cause the Issuer to be engaged in a trade or business within the United States for U.S. federal income tax purposes or be subject to tax in any jurisdiction outside the Issuer's jurisdiction of incorporation, (d) if such obligation or security is secured by real property, (e) if such obligation or security is purchased at a price greater than 100% of the principal or face amount thereof, (f) if such obligation or security is subject of a tender offer, voluntary redemption, exchange offer, conversion or other similar action, (g) if in the Collateral Manager's judgment (as certified to the Trustee in writing), such obligation or security is subject to material non-credit related risks, (h) if such obligation is a Structured Finance Obligation, (i) if such obligation or security is represented by a certificate of interest in a grantor trust or (j) unless such investments are treated as "cash equivalents" for purposes of Section __.10(c)(8)(iii)(A) of the regulations implementing the Volcker Rule, as determined by the Co-Issuers (or the Collateral Manager on their behalf). Eligible Investments may include those investments for which the Trustee or an Affiliate of the Trustee provides services and receives compensation.

"**Eligible Post-Reinvestment Proceeds**" means up to 100% of the Principal Proceeds received with respect to the sale of Credit Risk Obligations and with respect to Unscheduled Principal Payments, in each case, after the end of the Reinvestment Period.

"**Equity Security**" means any security or debt obligation which at the time of acquisition, conversion or exchange does not satisfy the requirements of a Collateral Obligation and is not an Eligible Investment.

"**ERISA Restricted Notes**" means the Class E Notes and the Subordinated Notes.

"**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 (or portion thereof) included in the CCC/Caa Excess; *over*

(b) the sum of the Market Values of all Collateral Obligations (or portion thereof) included in the CCC/Caa Excess.

"**Excess Weighted Average Coupon**" means as of any Measurement Date, a percentage equal to the number obtained by multiplying (i) the excess, if any, of the Weighted Average Coupon over 6.50% by (ii) the number

obtained by dividing the Aggregate Principal Balance of all Fixed Rate Obligations by the Aggregate Principal Balance of all Floating Rate Obligations, in each case, excluding any Defaulted Obligations.

"**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended.

"**FATCA**" means Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, and any agreement entered into pursuant to Section 1471(b) of the Code or any U.S. or non-U.S. fiscal or regulatory legislation, rules, guidance, notes or practices adopted pursuant to any intergovernmental agreement entered into in connection with the interpretation of such sections of the Code or analogous portions of non-U.S. law.

"**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 costs to the Issuer of achieving FATCA Compliance.

"**Fee Basis Amount**" means, as of any date of determination, the sum of (a) the Collateral Principal Amount, (b) the Aggregate Principal Balance of all Defaulted Obligations and (c) the aggregate amount of all Principal Financed Accrued Interest that has not yet been received by the Issuer.

"**Fitch**" means Fitch Ratings, Inc. and any successor in interest.

"**Fitch Eligible Investment Required Ratings**" means, for securities and other obligations, (i) with maturities up to 30 days, a short-term credit rating of at least "F1" and a long-term credit rating of at least "A" (if such long-term credit rating exists) or (ii) with maturities of more than 30 days but not in excess of 60 days, a short-term credit rating of "F1+" and a long-term credit rating of at least "AA-" (if such long-term credit rating exists).

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

"**Floating Rate Obligation**" means any Collateral Obligation that bears a floating rate of interest.

"**Global Rating Agency Condition**" means, with respect to any action taken or to be taken by or on behalf of the Issuer, satisfaction of the Moody's Rating Condition and the prior notice thereof to Fitch.

"**Group I Country**" means The Netherlands, Australia, New Zealand and the United Kingdom (or such other countries as may be notified by Moody's to the Collateral Manager from time to time).

"**Group II Country**" means Germany, Sweden and Switzerland (or such other countries as may be notified by Moody's to the Collateral Manager from time to time).

"**Group III Country**" means Austria, Belgium, Denmark, Finland, France, Iceland, Liechtenstein, Luxembourg, Norway and Spain (or such other countries as may be notified by Moody's to the Collateral Manager from time to time).

"**Incentive Collateral Management Fee**" refers collectively to any amounts payable to the Collateral Manager under clause (U) of "Summary of Terms-Priority of Payments-Application of Interest Proceeds", clause (S) of "Summary of Terms-Priority of Payments-Application of Principal Proceeds" and clause (S) of the Special Priority of Payments described in "Description of the Notes—Priority of Payments".

"**Incremental Subordinated Collateral Manager Fee**" means 0.025% per annum; *provided*, *however*, that (a) the Incremental Subordinated Collateral Manager Fee shall only be applicable and payable if (i) a Refinancing has occurred, (ii) following such Refinancing, as determined by the Collateral Manager based on the advice of counsel and/or an Opinion of Counsel, the U.S. Risk Retention Rules require the Collateral Manager or an Affiliate of the Collateral Manager to retain a minimum economic interest in the credit risk of the Collateral Obligations and/or the Eligible Investments and (iii) the Collateral Manager or an Affiliate of the Collateral Manager retains such an

economic interest in compliance with the U.S. Risk Retention Rules, including, through the ownership of the Collateral Manager Notes to the extent such ownership satisfies the applicable requirements and (b) the Incremental Subordinated Collateral Manager Fee shall be payable from and after the effective date of such Refinancing and satisfaction of the conditions specified in clause (a) for so long as any Class of Notes remains outstanding.

"**Incurrence Covenant**" means a covenant by any borrower to comply with one or more financial covenants only upon the occurrence of certain actions of the borrower, including a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture.

"**Indenture**" means the indenture to be dated on or about May 14, 2015 between the Issuer, the Co-Issuer and the Trustee.

"**Independent**" means, as to any Person, any other Person (including, in the case of an accountant or lawyer, a firm of accountants or lawyers, and any member thereof, or an investment bank and any member thereof) who (i) does not have and is not committed to acquire any material direct or any material indirect financial interest in such person or in any Affiliate of such person, and (ii) is not connected with such person as an officer, employee, promoter, underwriter, voting trustee, partner, director or person performing similar functions. "**Independent**" when used with respect to any accountant may include an accountant who audits the books of such person if in addition to satisfying the criteria set forth above the accountant is independent with respect to such person within the meaning of Rule 101 of the Code of Professional Conduct of the American Institute of Certified Public Accountants.

Whenever any Independent person's opinion or certificate is to be furnished to the Trustee, such opinion or certificate shall state that the signer has read this definition and that the signer is Independent within the meaning hereof.

Any pricing service, certified public accountant or legal counsel that is required to be Independent of another person under the Indenture must satisfy the criteria above with respect to the Issuer, the Collateral Manager and their Affiliates.

"**Institutional Accredited Investor**" has the meaning set forth in Rule 501(a)(1)-(3) or (7) of Regulation D under the Securities Act.

"**Interest Accrual Period**" means (i) with respect to the initial Payment Date, the period from and including the Closing Date to but excluding such Payment Date; and (ii) with respect to each succeeding Payment Date, the period from and including the immediately preceding Payment Date to but excluding the following Payment Date until the principal of the Secured Notes is paid or made available for payment; *provided* that (A) in the case of the Class A-F Notes and the Class B-F Notes, solely for purposes of this definition, the Payment Date will be assumed to be the 14th day of the relevant month (regardless of whether such day is a Business Day) and (B) any interest-bearing notes issued after the Closing Date in accordance with the terms of the Indenture shall accrue interest during the Interest Accrual Period in which such additional notes are issued from and including the applicable date of issuance of such additional notes to but excluding the last day of such Interest Accrual Period at the applicable Interest Rate.

"**Interest Amount**" means, for (A) each Class of Notes outstanding immediately before giving effect to a Refinancing of the Secured Notes in part by Class or (B) each class of replacement securities issued in connection with a Refinancing of the Secured Notes in part by Class, the product of: (i) the interest rate applicable to such Class of Notes or class of replacement securities, as applicable, and (ii) the Aggregate Outstanding Amount or aggregate outstanding principal amount of such Class of Notes or class of replacement securities, as the case may be, on the Redemption Date, in each case, immediately prior to giving effect to such Refinancing and prior to any payments being made pursuant to the Priority of Payments on such Redemption Date.

"**Interest Coverage Ratio**" means, for any designated Class or Classes of Secured Notes (other than the Class AX Notes, for which no Interest Coverage Ratio applies), as of any date of determination, the percentage derived from the following equation: (A - B) / C, where:

A = The Collateral Interest Amount as of such date of determination;

B = Amounts payable (or expected as of the date of determination to be payable) on the following Payment Date as set forth in clauses (A) and (B) under "Summary of Terms—Priority of Payments—Application of Interest Proceeds"; and

C = Interest due and payable on the Secured Notes of such Class or Classes and each Class of Secured Notes (other than the Class AX Notes) that ranks senior to or *pari passu* with such Class or Classes (excluding Secured Note Deferred Interest, but including any interest on Secured Note Deferred Interest) on such Payment Date.

"**Interest Determination Date**" means in the case of the Class A1 Notes, the Class AX Notes, the Class B1 Notes, the Class C Notes, the Class D Notes, and the Class E Notes, the second London Banking Day preceding the first day of each Interest Accrual Period.

"**Interest Only Security**" means any obligation or security that does not provide in the related Underlying Instruments for the payment or repayment of a stated principal amount in one or more installments on or prior to its stated maturity.

"**Interest Proceeds**" means, with respect to any Collection Period or Determination Date, without duplication, the sum of:

(i) all payments of interest and delayed compensation (representing compensation for delayed settlement) received in cash by the Issuer during the related Collection Period on the Collateral Obligations and Eligible Investments, including the accrued interest received in connection with a sale thereof during the related Collection Period, less any such amount that represents Principal Financed Accrued Interest;

(ii) all principal payments received by the Issuer during the related Collection Period on Eligible Investments purchased with Interest Proceeds;

(iii) all amendment and waiver fees, late payment fees and other fees received by the Issuer during the related Collection Period, except for those in connection with (a) a Maturity Amendment or (b) the reduction of the par of the related Collateral Obligation, as determined by the Collateral Manager with notice to the Trustee and the Collateral Administrator;

(iv) commitment fees and other similar fees received by the Issuer during such Collection Period in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations;

(v) all payments other than principal payments received by the Issuer during the related Collection Period on Collateral Obligations that are Defaulted Obligations solely as the result of a "probability of default" rating assigned by Moody's of "LD" in relation thereto;

(vi) any amounts deposited in the Collection Account from the Expense Reserve Account and/or the Interest Reserve Account that are designated as Interest Proceeds in the sole discretion of the Collateral Manager pursuant to the Indenture in respect of the related Determination Date; and

(vii) any Principal Proceeds that are designated by the Collateral Manager as Designated Principal Proceeds on or prior to the second Determination Date in accordance with the procedures described under "Security for the Secured Notes—The Collection Account and Payment Account" and "Security for the Secured Notes—The Ramp-Up Account";

provided that (A)(1) any amounts received in respect of any Defaulted Obligation will constitute Principal Proceeds (and not Interest Proceeds) until the aggregate of all collections in respect of such Defaulted Obligation since it became a Defaulted Obligation equals the outstanding principal balance of such Collateral Obligation at the time it became a Defaulted Obligation and (2) (x) any amounts received in respect of any Equity Security that was received in exchange for a Defaulted Obligation and is held by a Blocker Subsidiary will constitute Principal Proceeds (and not Interest Proceeds) until the aggregate of all collections in respect of such Equity Security equals the outstanding principal balance of the Collateral Obligation, at the time it became a Defaulted Obligation, for which such Equity

Security was received in exchange and (y) any amounts received in respect of any other asset held by a Blocker Subsidiary will constitute Principal Proceeds (and not Interest Proceeds) and (B) any amounts deposited in the Collection Account as Principal Proceeds as described in clause (Q) under "Summary of Terms—Priority of Payments—Application of Interest Proceeds" due to the failure of the Interest Diversion Test to be satisfied shall not constitute Interest Proceeds.

"**Interest Rate**" means, with respect to each Class of Secured Notes, except for the Class A-F Notes and the Class B-F Notes, the per annum stated interest rate payable on such Class with respect to each Interest Accrual Period equal to LIBOR for such Interest Accrual Period *plus* the spread as indicated under "Summary of Terms—Principal Terms of the Notes" (subject to any modification in connection with a Re-Pricing) and with respect to the Class A-F Notes and the Class B-F Notes, the per annum stated interest rate payable on such Class with respect to each Interest Accrual Period equal to the rate as indicated under "Summary of Terms—Principal Terms of the Notes" (subject to any modification in connection with a Re-Pricing).

"**Investment Advisers Act**" means the Investment Advisers Act of 1940, as amended.

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

"**Irish Listing Agent**" means Maples and Calder, in its capacity as Irish Listing Agent for the Co-Issuers, and any successor thereto.

"**Issuer**" means AMMC CLO 16, Limited.

"**Jefferies**" means Jefferies LLC.

"**Junior Class**" means, with respect to a particular Class of Notes, each Class of Notes that is subordinated to such Class, as indicated in "Summary of Terms—Principal Terms of the Notes".

"**Knowledgeable Employee**" has the meaning set forth in Rule 3c-5 promulgated under the Investment Company Act.

"**LIBOR**" with respect to the Secured Notes, for any Interest Accrual Period will equal (a) the rate appearing on the Reuters Screen, or any successor screen, for deposits with a term of three months as of 11:00 a.m., London time, on the Interest Determination Date; *provided* that LIBOR for the first Interest Accrual Period will be determined by the Calculation Agent by (x) calculating LIBOR with respect to each Notional Accrual Period on the applicable Notional Determination Date and using the Notional Designated Maturity and (y)(1) multiplying the rate determined for the Notional Accrual Period by the number of days in such Notional Accrual Period, (2) summing the amounts set forth in clause (y)(1) above and (3) dividing the amount set forth in clause (y)(2) above by the total number of days in the initial Interest Accrual Period; or (b) if such rate is unavailable at the time LIBOR is to be determined, LIBOR shall be determined on the basis of the rates at which deposits in U.S. Dollars are offered by four major banks in the London market selected by the Calculation Agent after consultation with the Collateral Manager (the "**Reference Banks**") at approximately 11:00 a.m., London time, on the Interest Determination Date to prime banks in the London interbank market for a period approximately equal to such Interest Accrual Period and an amount approximately equal to the amount of the Aggregate Outstanding Amount of the Secured Notes. The Calculation Agent will request the principal London office of each Reference Bank to provide a quotation of its rate. If at least two such quotations are provided, LIBOR shall be the arithmetic mean of such quotations (rounded upward to the next higher 1/100). If fewer than two quotations are provided as requested, LIBOR with respect to such Interest Accrual Period will be the arithmetic mean of the rates quoted by three major banks in New York, New York selected by the Calculation Agent after consultation with the Collateral Manager at approximately 11:00 a.m., New York Time, on such Interest Determination Date for loans in U.S. Dollars to leading European banks for a term approximately equal to such Interest Accrual Period and an amount approximately equal to the amount of the Secured Notes. If the Calculation Agent is required but is unable to determine a rate in accordance with at least one of the procedures described above, LIBOR will be LIBOR as determined on the previous Interest Determination

Date. "LIBOR", when used with respect to a Collateral Obligation, means the "libor" rate determined in accordance with the terms of such Collateral Obligation.

"**LIBOR Floor Obligation**" means as of any date, a Floating Rate Obligation (a) for which the related Underlying Instruments allow an interest rate option based on the London interbank offered rate for deposits in U.S. Dollars, (b) that provides that such rate is (in effect) calculated as the greater of (i) a specified "floor" rate per annum and (ii) such London interbank offered rate for the applicable interest period for such Collateral Obligation and (c) that, as of such date, bears interest based on such rate option, but only if as of such date such London interbank offered rate for the applicable interest period is less than such floor rate.

"**Loan**" means any obligation for the payment or repayment of borrowed money that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement.

"**London Banking Day**" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London, England.

"**Maintenance Covenant**" means a covenant by any borrower to comply with one or more financial covenants during each reporting period, whether or not such borrower has taken any specified action.

"**Majority**" means (a) with respect to any Class, Classes or sub-class of Secured Notes, the holders of more than 50% of the Aggregate Outstanding Amount of the Secured Notes of such Class, Classes or sub-class and (b) with respect to the Subordinated Notes, the holders of more than 50% of the Aggregate Outstanding Amount of the Subordinated Notes.

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

"**Market Value**" means, with respect to any loans or other assets, the amount (determined by the Collateral Manager) equal to the product of the principal amount thereof and the price (expressed as a percentage) determined in the following manner:

(i) in the case of a loan (or a Participation Interest in such loan) only, the bid price determined by the Loan Pricing Corporation, Markit Group Limited, Loan X Mark-It Partners, Thompson Reuters Pricing Service, Bloomberg or any other nationally recognized loan pricing service selected by the Collateral Manager with notice to Moody's and Fitch; or

(ii) if a price described in clause (i) is not available,

(A) the average of the bid prices determined by three broker-dealers active in the trading of such asset that are Independent from each other and the Issuer and the Collateral Manager;

(B) if only two such bids can be obtained, the lower of the bid prices of such two bids; or

(C) if only one such bid can be obtained, and such bid was obtained from a Qualified Broker/Dealer, the bid price of such bid; or

(iii) if a price described in clause (i) or (ii) is not available, then the Market Value of an asset will be the lower of (x) 70% of the notional amount of such asset, and (y) the price at which the Collateral Manager reasonably believes such asset could be sold in the market within 30 days, as certified by the Collateral Manager to the Trustee and determined by the Collateral Manager consistent with the manner in which it would determine the market value of an asset for purposes of other funds or accounts managed by it; *provided* that, if the Collateral Manager is not a Registered Investment Advisor, the Market Value of any such asset may not be determined in accordance with this clause (iii) for more than 30 days; or

(iv) if the Market Value of an asset is not determined in accordance with clause (i), (ii) or (iii) above, then such Market Value shall be deemed to be zero until such determination is made in accordance with clause (i) or (ii) above.

"**Maturity Amendment**" means, with respect to any Collateral Obligation, any waiver, modification, amendment or variance that would extend the stated maturity date of such Collateral Obligation. For the avoidance of doubt, a waiver, modification, amendment or variance that would extend the stated maturity date of the credit facility of which a Collateral Obligation is part, but would not extend the stated maturity date of the Collateral Obligation held by the Issuer, does not constitute a Maturity Amendment.

"**Measurement Date**" means (i) any day on which a purchase of a Collateral Obligation occurs, (ii) any Determination Date, (iii) the date as of which the information in any monthly report prepared under the Indenture is calculated, (iv) with five Business Days' prior notice, any Business Day requested by a Rating Agency if such Rating Agency is rating any Class of outstanding Notes, (v) the Effective Date and (vi) any date on which the Collateral Manager designates Designated Principal Proceeds pursuant to the terms of the Indenture.

"**Medium Tranche Loan**" means any obligation of an obligor where the total potential indebtedness of such obligor under all of its loan agreements, indentures and other underlying instruments (whether drawn or undrawn) is less than U.S.$250,000,000 and greater than or equal to U.S.$150,000,000.

"**Middle Market Loan**" means any obligation of an obligor where the total potential indebtedness of such obligor under all of its loan agreements, indentures and other underlying instruments (whether drawn or undrawn) is less than U.S.$150,000,000.

"**Minimum Denominations**" means with respect to the Secured Notes, U.S.$100,000 and integral multiples of U.S.$1.00 in excess thereof and, with respect to the Subordinated Notes, U.S.$100,000 and integral multiples of U.S.$1.00 in excess thereof.

"**Moody's**" means Moody's Investors Service, Inc and any successor thereto.

"**Moody's Class AX Adjustment**" means as of any date of determination, (a)(i) 1 *minus* (ii) the aggregate outstanding principal amount of the Class AX Notes as of such date divided by the aggregate outstanding principal amount of the Class AX Notes as of the Closing Date, multiplied by (b) 15.

"**Moody's Collateral Value**" means, with respect to any Defaulted Obligation and Deferring Obligation, (i) as of any date during the first 30 days in which the obligation is a Defaulted Obligation or a Deferring Obligation, the Moody's Recovery Amount of such Defaulted Obligation or Deferring Obligation as of such date or (ii) as of any date after the 30-day period referred to in clause (i), the lesser of (x) the Moody's Recovery Amount of such Defaulted Obligation or Deferring Obligation as of such date and (y) the Market Value of such Defaulted Obligation or Deferring Obligation as of such date.

"**Moody's Counterparty Criteria**" are, with respect to any Participation Interest proposed to be acquired by the Issuer, criteria that will be met if immediately after giving effect to such acquisition, (x) the percentage of the Collateral Principal Amount that consists in the aggregate of Participation Interests with Selling Institutions that have the same or a lower Moody's credit rating does not exceed the "Aggregate Percentage Limit" set forth below for such Moody's credit rating and (y) the percentage of the Collateral Principal Amount that consists in the aggregate of Participation Interests with any single Selling Institution that has the Moody's credit rating set forth below or a lower credit rating does not exceed the "Individual Percentage Limit" set forth below for such Moody's credit rating:

Moody's credit rating of Selling Institution (at or below)	Aggregate Percentage Limit	Individual Percentage Limit
Aaa	20%	20%
Aa1	20%	10%
Aa2	20%	10%

Moody's credit rating of Selling Institution (at or below)	Aggregate Percentage Limit	Individual Percentage Limit
Aa3	15%	10%
A1 and P-1 (both)	10%	5%
A2* and P-1 (both)	5%	5%
A2 or lower	0%	0%

* and not on watch for possible downgrade.

"**Moody's Eligible Investment Required Ratings**"means, if such obligation or security (i) has both a long-term and a short-term credit rating from Moody's, such ratings are "Aa3" or better (not on credit watch for possible downgrade) and "P-1" (not on credit watch for possible downgrade), respectively, (ii) has only a long-term credit rating from Moody's, such rating is "Aaa" (not on credit watch for possible downgrade) or (iii) has only a short-term credit rating from Moody's, such rating is "P-1" (not on credit watch for possible downgrade).

"**Moody's Rating**" has the meaning specified in Annex B hereto.

"**Moody's Rating Condition**" means, with respect to any action taken or to be taken by or on behalf of the Issuer, a condition that is satisfied if Moody's has confirmed in writing (which may take the form of a press release or other written communication) that no immediate withdrawal or reduction with respect to its then-current rating by Moody's of any Class of Notes will occur as a result of such action; *provided* that the Moody's Rating Condition will not apply if no Class of Notes then outstanding is rated by Moody's; *provided further* that if Moody's no longer constitutes a Rating Agency under the Indenture, the Moody's Rating Condition will not apply.

"**Moody's Recovery Amount**" means, with respect to any Collateral Obligation that is a Defaulted Obligation or a Deferring Obligation, an amount equal to:

(a) the applicable Moody's Recovery Rate; *multiplied by*

(b) the Principal Balance of such Collateral Obligation.

"**Moody's Senior Secured Loan**" means:

(a) a loan that:

(i) is not (and cannot by its terms become) subordinate in right of payment to any other debt obligation of the obligor of the loan;

(ii) (x) is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under the loan and (y) such specified collateral does not consist entirely of equity securities or common stock; *provided* that any loan that would be considered a Moody's Senior Secured Loan but for clause (y) above shall be considered a Moody's Senior Secured Loan if it is a loan made to a parent entity and as to which the 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 judgment 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); or

(b) the loan is not:

(i) a DIP Collateral Obligation; 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.

"**Non-Emerging Market Obligor**" means an obligor that is Domiciled in (i) the United States or (ii) any country that has a country ceiling for foreign currency bonds of at least "Aa2" by Moody's and, other than with respect to Canada, a Group I Country, a Group II Country, a Group III Country or any Tax Jurisdiction, a foreign currency issuer credit rating of at least "AA-" by S&P.

"**Note Interest Amount**" means, with respect to any Class of Secured Notes and any Payment Date, the amount of interest for the related Interest Accrual Period payable in respect of each U.S.$100,000 outstanding principal amount of such Class of Notes.

"**Note Purchase Agreement**" means the note purchase agreement dated as of May 14, 2015, among the Co-Issuers and the Initial Purchaser relating to the offering of the Notes, as modified, amended and supplemented and in effect from time to time.

"**Noteholder**" means (a) with respect to any Secured Note, the Holder of such Note and (b) with respect to any Subordinated Note, the Holder of such Note

"**Noteholder Reporting Obligations**" means the obligations of each purchaser, beneficial owner and subsequent transferee of any Note or interest therein, (1) to provide the Issuer and the Issuer's agents (i) any information as is necessary (in the sole determination of the Issuer or the Issuer's agents) for the Issuer and the Issuer's agents to determine whether such purchaser, beneficial owner or transferee (or any person through which it holds any Note) is a United States person as defined in Section 7701(a)(30) of the Code ("**United States person**"), a United States owned foreign entity as described in Section 1471(d)(3) of the Code ("**United States owned foreign entity**") or a foreign financial institution as described in Section 1471(d)(4) of the Code and (ii) any additional information that the Issuer or the Issuer's agents requests in connection with FATCA or any intergovernmental agreement relating to FATCA between the United State of America and the jurisdiction of formation of the Issuer and any enacting legislation related thereto and (2) if it is a United States person or a United States owned foreign entity, (x) to provide the Issuer and the Issuer's agents its name, address, U.S. taxpayer identification number, or if it is a United States owned foreign entity, the name, address and taxpayer identification number of each of its substantial United States owners as defined in Section 1473(2) of the Code ("**substantial United States owner**") and any other information requested by the Issuer or the Issuer's agents upon request and (y) to update any such information provided in clause (x) promptly upon learning that any such information previously provided has become obsolete or incorrect or is otherwise required.

"**Notes**" means (a) the Secured Notes and (b) the Subordinated Notes.

"**Notional Accrual Period**" means each of (i) the period from and including the Closing Date to but excluding the Anniversary Date and (ii) the period from and including the Anniversary Date to but excluding the first Payment Date.

"**Notional Designated Maturity**" means, with respect to the Notional Accrual Period, three months.

"**Notional Determination Date**" means the second London Banking Day preceding the first day of each Notional Accrual Period.

"**Opinion of Counsel**" means a written opinion addressed to the Trustee and the Subordinated Note Issuing and Paying Agent (or upon which the Trustee and the Subordinated Note Issuing and Paying Agent are permitted to rely) and the Issuer and, if required by the terms of the Indenture, each Rating Agency, in form and substance reasonably satisfactory to the Trustee and each Rating Agency, of a nationally or internationally recognized and reputable law firm (which shall include, for these purposes, each law firm identified in the Offering Circular) one or more of the partners of which are admitted to practice before the highest court of any State of the United States or the District of Columbia (or the Cayman Islands, in the case of an opinion relating to the laws of the Cayman Islands), which law firm may, except as otherwise expressly provided in the Indenture, be counsel for the Issuer or the Co-Issuer or the Collateral Manager, as the case may be, and which law firm shall be reasonably satisfactory to the Trustee. Whenever an Opinion of Counsel is required under the Indenture, such Opinion of Counsel may rely on opinions of other counsel who are so admitted and so satisfactory, which opinions of other counsel shall accompany such Opinion of Counsel and shall either be addressed to the Trustee, the Subordinated Note Issuing and Paying Agent and each Rating Agency or shall state that the Trustee, the Subordinated Note Issuing and Paying Agent and each Rating Agency shall be entitled to rely thereon.

"**Overcollateralization Ratio**" means, with respect to any specified Class or Classes of Secured Notes (other than the Class AX Notes) as of any date of determination, the percentage derived from:

(a) the Adjusted Collateral Principal Amount on such date; ***divided by***

(b) the Aggregate Outstanding Amount on such date of the Secured Notes of such Class or Classes and each Class of Secured Notes (other than the Class AX Notes) that ranks senior to or *pari passu* with such Class or Classes (other than the Class AX Notes).

"**Participation Interest**" means a participation interest in a Loan that, at the time of acquisition, or the Issuer's commitment to acquire the same, satisfies each of the following criteria: (i) such participation, if acquired directly by the Issuer, would qualify as a Collateral Obligation, (ii) the selling institution is a lender on the Loan or commitment, (iii) the aggregate participation in the Loan granted by such selling institution to any one or more participants does not exceed the principal amount or commitment with respect to which the selling institution is a lender under such Loan, (iv) such participation does not grant, in the aggregate, to the participant in such participation a greater interest than the selling institution holds in the Loan or commitment that is the subject of the participation, (v) the entire purchase price for such participation interest is paid in full (without the benefit of financing from the selling institution or its Affiliates) at the time of the Issuer's acquisition (or, to the extent of a participation in the unfunded commitment under a Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, at the time of the funding of such Loan), (vi) the participation provides the participant all of the economic benefit and risk of the whole or part of the Loan or commitment that is the subject of the Loan participation and (vii) such participation is documented under a Loan Syndication and Trading Association, Loan Market Association or similar agreement standard for Loan participation transactions among institutional market participants. For the avoidance of doubt, a Participation Interest shall not include a sub-participation interest in any Loan.

"**Paying Agent**" any Person authorized by the Issuer to pay the principal of or interest on any Secured Notes on behalf of the Issuer as specified in the Indenture.

"**Payment Date**" means each of the 14th day of January, April, July and October of each year (or, if such day is not a Business Day, then the next succeeding Business Day), commencing in October, 2015, except that the final Payment Date (subject to any earlier redemption or payment of the Notes) shall be April 14, 2027 (or, if such day is not a Business Day, then the next succeeding Business Day).

"**Permitted Securities Condition**" means as of any date of determination, a condition that will be satisfied if: (a) the Issuer and the Collateral Manager have received an Opinion of Counsel, which opinion may be based upon, among other things, interpretive letters or other formal guidance issued by any of the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Securities and Exchange Commission and/or the Commodity Futures Trading Commission (together with an officer's certificate of the Issuer or the Collateral Manager to the Trustee and the Collateral Administrator (on which

the Trustee and the Collateral Administrator may conclusively rely) that the opinion specified in this definition has been received by the Issuer and the Collateral Manager) that: (i) assuming the Issuer is a "covered fund," none of the Secured Notes shall be considered an "ownership interest" therein (in each case, as such terms are defined for purposes of the Volcker Rule); or (ii) the Issuer will not be considered a "covered fund" (as defined in clause (a)(i) above); (b) any amendments or supplements to the Indenture that are necessary for the Issuer to receive the Opinion of Counsel described in clause (a) above shall have become effective in accordance with the terms thereof; and (c) a supermajority (66-2/3% based on the aggregate principal amount of Notes held by the Section 13 Banking Entities) of the Section 13 Banking Entities (voting as a single class) consent in writing to the application of the Permitted Securities Condition.

"**Person**" means an individual, corporation (including a business trust), partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"**Post-Closing ERISA Notes**" means ERISA Restricted Notes that are purchased by (or otherwise transferred to) a Benefit Plan Investor or a Controlling Person following the Closing Date.

"**Principal Balance**" means, subject to certain assumptions with respect to the Assets and calculations relating thereto described in "Security for the Secured Notes—Collateral Assumptions", with respect to (a) any Asset that is a security or obligation other than a Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, as of any date of determination, the outstanding principal amount of such Asset (excluding any capitalized interest) and (b) any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, as of any date of determination, the outstanding principal amount of such Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation (excluding any capitalized interest), *plus* (except as expressly set forth in the Indenture) any undrawn commitments that have not been irrevocably reduced or withdrawn with respect to such Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation; *provided* that for all purposes, the Principal Balance of (1) any Equity Security or interest only strip shall be deemed to be zero and (2) any Defaulted Obligation that has remained a Defaulted Obligation for a continuous period of three years after becoming a Defaulted Obligation and has not been sold or terminated during such three year period shall be deemed to be zero.

"**Principal Financed Accrued Interest**" means, with respect to (i) any Collateral Obligation owned or purchased by the Issuer on the Closing Date (including any Collateral Obligation acquired by the Issuer in connection with its acquisition of the Warehouse SPE and the merger of the Warehouse SPE into the Issuer on the Closing Date), an amount equal to the amount of Warehouse Principal Financed Accrued Interest and (ii) any Collateral Obligation purchased after the Closing Date, the amount of Principal Proceeds, if any, applied towards the purchase of accrued interest on such Collateral Obligation.

"**Principal Proceeds**" means, with respect to any Collection Period or Determination Date, all amounts received by the Issuer during the related Collection Period that do not constitute Interest Proceeds and any amounts that have been designated as Principal Proceeds pursuant to the terms of the Indenture.

"**Priority Class**" means, with respect to any specified Class of Notes, each Class of Notes that ranks senior to such Class, as indicated in "Summary of Terms—Principal Terms of the Notes".

"**Priority Classes' Aggregate Interest Amount**" means, for each Class of Notes that would not be redeemed in connection with a Refinancing of the Secured Notes in part by Class, (A) before giving effect to such Refinancing, the sum of the Interest Amounts for each Class of the Notes that is a Priority Class with respect to such Class (calculated assuming the Refinancing will not occur) and (B) after giving effect to such Refinancing, the sum of the Interest Amounts for each Class of Notes and each class of replacement securities that would be defined as a "Priority Class" with respect to such Class after giving effect to such Refinancing.

"**Priority of Payments**" means, with respect to disbursement of Available Funds and proceeds of the Assets, the priorities described in "Description of the Notes—Priority of Payments", including, when applicable, the Special Priority of Payments.

"**Proposed Portfolio**" means the portfolio of Collateral Obligations and Eligible Investments resulting from the proposed purchase, sale, maturity or other disposition of a Collateral Obligation or a proposed reinvestment in an additional Collateral Obligation, as the case may be.

"**Qualified Broker/Dealer**" means any of Bank of America/Merrill Lynch, Barclays Bank, BMO Capital Markets, BNP Paribas, Citibank, N.A., Citizens Bank, Credit Suisse, Deutsche Bank, General Electric Capital, Goldman Sachs, HSBC Bank, Jefferies LLC, JP Morgan, KeyBank, Macquarie Group Limited, Mizuho, Morgan Stanley, Nomura, PNC, Royal Bank of Canada, Royal Bank of Scotland, ScotiaBank, SunTrust Bank, TD Securities, UBS, U.S. Bank National Association, Wells Fargo, and/or any of their respective operating affiliates, or any nationally or internationally recognized broker/dealer that is active in the market for assets like the Collateral Obligations as designated by the Collateral Manager and the Issuer, with notice to the Trustee, from time to time.

"**Qualified Institutional Buyer**" has the meaning set forth in Rule 144A.

"**Qualified Purchaser**" has the meaning set forth in the Investment Company Act.

"**Rating Agency**" means each of Moody's and Fitch, for so long as the Notes rated by such entity on the Closing Date are outstanding and rated by such entity.

"**Record Date**" means, with respect to the Global Notes, the date one day prior to the applicable Payment Date and, with respect to any Certificated Notes, the date 15 days prior to the applicable Payment Date.

"**Redemption Date**" means any Payment Date specified for a redemption of Notes pursuant to the Indenture and any Business Day specified for a Clean-Up Call Redemption.

"**Redemption Price**" means, (a) for each Secured Note to be redeemed or purchased in connection with a Re-Pricing (x) 100% of the outstanding principal amount of such Secured Note *plus* (y) accrued and unpaid interest thereon (including interest on any accrued and unpaid Secured Note Deferred Interest, in the case of the Class C Notes, Class D Notes and Class E Notes) to the Redemption Date or the Re-Pricing Date, as applicable, and (b) for each Subordinated Note, its proportional share (based on the Aggregate Outstanding Amount of such Note) of the portion of the proceeds of the remaining Collateral Obligations, Eligible Investments and other distributable Assets (after giving effect to the Optional Redemption, Clean-Up Call Redemption or Tax Redemption of the Secured Notes in whole or after all of the Secured Notes have been repaid in full and payment in full of (and/or creation of a reserve for) all expenses (including all Management Fees and Administrative Expenses (without regard to the Administrative Expense Cap)) of the Co-Issuers) that is distributable to the Subordinated Notes; *provided* that, in connection with any Tax Redemption, Optional Redemption or Clean-Up Call Redemption, holders of 100% of the Aggregate Outstanding Amount of any Class of Secured Notes may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the holders of such Class of Secured Notes.

"**Refinancing Proceeds**" means the cash proceeds from a Refinancing.

"**Refinancing/Re-Pricing Issuance**" means any additional issuance of Subordinated Notes pursuant to "Description of Notes—The Subordinated Notes —Additional Issuance" for the sole purpose of paying fees and expenses associated with a Refinancing or a Re-Pricing.

"**Registered**" means, in registered form for U.S. federal income tax purposes and issued after July 18, 1984; *provided* that a certificate of interest in a grantor trust shall not be treated as Registered unless each of the obligations or securities held by the trust was issued after that date.

"**Registered Investment Advisor**" means a Person duly registered as an investment advisor in accordance with the Investment Advisers Act.

"**Regulation S**" has the meaning set forth in Regulation S under the Securities Act.

"**Regulation S Global ERISA Restricted Note**" means an ERISA Restricted Note issued in the form of a Regulation S Global Note.

"**Reinvestment Target Par Balance**" means, as of any date of determination, the Target Initial Par Amount *minus* (i) the amount of any reduction in the Aggregate Outstanding Amount of the Notes through the payment of Principal Proceeds *plus* (ii) the aggregate amount of Principal Proceeds that result from the issuance of any additional notes under and in accordance with the Indenture (after giving effect to such issuance of any additional notes).

"**Related Obligation**" means an obligation issued by the Collateral Manager, any of its Affiliates that are collateralized debt obligation funds or any other Person that is a collateralized debt obligation fund whose investments are primarily managed by the Collateral Manager or any of its Affiliates.

"**Required Interest Diversion Amount**" means, the lesser of (x) 50% of Available Funds from the Collateral Interest Amount on any Payment Date after application of such Collateral Interest Amount to the payment of amounts set forth in clauses (A) through (P) under "Summary of Terms—Priority of Payments—Application of Interest Proceeds" and (y) the minimum amount that needs to be deposited into the Collection Account as Principal Proceeds in order to cause the Interest Diversion Test to be satisfied.

"**Restricted Trading Period**" means the period during which (i) a Specified Downgrade Period has occurred and is continuing and (ii) after giving effect to any sale of the relevant Collateral Obligations, (A) the Reinvestment Target Par Balance will be greater than the Collateral Principal Amount (excluding from such calculation the Aggregate Principal Balance of the Collateral Obligations being sold but including the Sale Proceeds of such Collateral Obligations) or (B) solely in the case of a Specified Downgrade Period continuing as a result of a downgrade of the Class A Notes, the Class B Notes or the Class C Notes, any Coverage Test would not be satisfied or the Weighted Average Life Test, the Maximum Moody's Rating Factor Test, the Moody's Diversity Test or the Minimum Weighted Average Moody's Recovery Rate Test would not be satisfied (excluding, in each case, from such calculation the Aggregate Principal Balance of the Collateral Obligations being sold but including the Sale Proceeds of such Collateral Obligations); *provided* that (1) such period will not be a Restricted Trading Period (so long as the Moody's rating of any Class of Secured Notes then rated by Moody's has not been further downgraded, withdrawn or put on watch for potential downgrade) upon the direction of the Issuer with the consent of a Majority of each Class of Secured Notes then rated by Moody's, which direction shall remain in effect until the earlier of (A) a further downgrade or withdrawal of the Moody's rating of any Class of Secured Notes that, disregarding such direction, would cause a Specified Downgrade Period to be in effect and (B) a subsequent direction to the Issuer (with a copy to the Trustee and the Collateral Administrator) by a Majority of the Controlling Class declaring the beginning of a Restricted Trading Period and (2) no Restricted Trading Period shall restrict any sale of a Collateral Obligation entered into by the Issuer at a time when a Restricted Trading Period is not in effect, regardless of whether such sale has settled.

"**Reuters Screen**" means Reuters Page LIBOR01 (or such other page that may replace that page on such service for the purpose of displaying comparable rates) as reported by Bloomberg Financial Markets Commodities News as of 11:00 a.m., London time, on the Interest Determination Date.

"**Revolving Collateral Obligation**" means any Collateral Obligation (other than a Delayed Drawdown Collateral Obligation) that is a loan (including, revolving loans, funded and unfunded portions of revolving credit lines, unfunded commitments under specific facilities and other similar loans and investments) that by its terms may require one or more future advances to be made to the borrower by the Issuer; *provided* that any such Collateral Obligation will be a Revolving Collateral Obligation only until all commitments to make advances to the borrower expire or are terminated or irrevocably reduced to zero.

"**Rule 144A**" means Rule 144A under the Securities Act.

"**Rule 144A Global ERISA Restricted Note**" means an ERISA Restricted Note issued in the form of a Rule 144A Global Note.

"**S&P**" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, and any successor or successors thereto.

"**S&P Rating**" has the meaning specified in Annex C hereto.

"**Sale Proceeds**" are all proceeds (excluding accrued interest, if any) received with respect to any Collateral Obligation or Eligible Investment as a result of sales of such Collateral Obligation or Eligible Investment in accordance with the restrictions described in "Security for the Secured Notes—Sales of Collateral Obligations; Purchase of additional Collateral Obligations and Investment Criteria", *less* any reasonable expenses incurred by the Collateral Manager, the Collateral Administrator or the Trustee (other than amounts payable as Administrative Expenses) in connection with such sales.

"**Second Lien Loan**" means any assignment of or Participation Interest in a Loan that: (a) is not (and cannot by its terms become) subordinate in right of payment to any other obligation of the obligor of the Loan but which is subordinated (with respect to liquidation preferences with respect to pledged collateral) to a Senior Secured Loan of the obligor; (b) is secured by a valid second-priority perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under the Second Lien Loan; (c) the value of the collateral securing the Second Lien Loan together with other attributes of the Obligor (including its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow), is adequate (in the commercially reasonable judgment of the Collateral Manager, as certified to the Trustee in writing) to repay the Loan in accordance with its terms and to repay all other Loans of equal or higher seniority secured by a lien or security interest in the same collateral and (d) is not secured solely or primarily by common stock or other equity interests.

"**Section 13 Banking Entity**" means an entity that (i) is defined as a "banking entity" under the Volcker Rule regulations (Section __.2(c)), (ii) provides written certification to the Issuer and the Trustee that it is such a "banking entity" as of a record date designated by the Issuer, and (iii) identifies the Class or Classes of Notes held by such entity and the outstanding principal amount thereof, in each case, as of such record date.

"**Secured Note Deferred Interest**" means: (i) with respect to the Class C Notes, any payment of interest due on the Class C Notes on any Payment Date to the extent sufficient funds are not available to make such payment in accordance with the Priority of Payments on such Payment Date, but only if one or more senior Classes of Notes are outstanding on such Payment Date; (ii) with respect to the Class D Notes, any payment of interest due on the Class D Notes on any Payment Date to the extent sufficient funds are not available to make such payment in accordance with the Priority of Payments on such Payment Date, but only if one or more senior Classes of Notes are outstanding on such Payment Date and (iii) with respect to the Class E Notes, any payment of interest due on the Class E Notes on any Payment Date to the extent sufficient funds are not available to make such payment in accordance with the Priority of Payments on such Payment Date, but only if one or more senior Classes of Notes are outstanding on such Payment Date.

"**Secured Notes**" means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

"**Secured Parties**" means collectively the holders of the Secured Notes, the Collateral Manager, the Collateral Administrator and the Trustee.

"**Securities Account Control Agreement**" means the Securities Account Control Agreement dated as of the Closing Date between the Issuer, the Trustee and U.S. Bank National Association, as custodian.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Securities Intermediary**" is as defined in Section 8-102(a)(14) of the UCC.

"**Selling Institution**" means the entity obligated to make payments to the Issuer under the terms of a Participation Interest.

"**Senior Secured Loan**" means any assignment of or Participation Interest in a Loan that: (a) is not (and cannot by its terms become) subordinate in right of payment to any other obligation of the obligor of the Loan; (b) 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; (c) the value of the collateral securing the Loan together with other attributes of the obligor (including its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow) is adequate (in the commercially reasonable judgment of the Collateral Manager, as certified to the Trustee in writing) 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 (d) is not secured solely or primarily by common stock or other equity interests; *provided* that the limitation set forth in this clause (d) shall not apply with respect to a Loan made to a parent entity that is secured solely or primarily by the stock of one or more of the subsidiaries of such parent entity to the extent that the granting by any such subsidiary of a lien on its own property would violate law or regulations applicable to such subsidiary (whether the obligation secured is such Loan or any other similar type of indebtedness owing to third parties).

"**Specified Downgrade Period**" means the period during which (a) the Moody's rating of the Class A1 Notes or the Class A-F Notes is "Aa1(sf)" or below, (b) the Fitch rating of the Class A1 Notes or the Class A-F Notes is "AA+sf" or below, (c) the Moody's rating of (i) the Class AX Notes is "Aa2(sf)" or below, (ii) the Class B Notes is "A1(sf)" or below, (iii) the Class C Notes is "Baa1(sf)" or below, (iv) the Class D Notes is "Ba2(sf)" or below, (v) the Class E Notes is "B2(sf)" or below or (d) the Moody's or Fitch rating of any Class of Secured Notes then outstanding that was previously rated by Moody's or Fitch, as applicable, has been withdrawn and not reinstated. For the avoidance of doubt, the withdrawal of any rating with respect to any Class of Secured Notes that are no longer outstanding will not cause a Specified Downgrade Period.

"**Stated Maturity**" means the Payment Date in April 14, 2027.

"**Step-Down Obligation**" means an obligation or security which by the terms of the related Underlying Instruments provides for a decrease in the per annum interest rate on such obligation or security (other than by reason of any change in the applicable index or benchmark rate used to determine such interest rate or the operation of any specified "floor" for such index or benchmark as contemplated by clause (b) of the definition of "LIBOR Floor Obligation") or in the spread over the applicable index or benchmark rate, over time (in each case other than decreases that are conditioned upon an improvement in the creditworthiness of the obligor or changes in a pricing grid or based on improvements in financial ratios); *provided* that an obligation or security providing for payment of a constant rate of interest at all times after the date of acquisition by the Issuer shall not constitute a Step-Down Obligation.

"**Step-Up Obligation**" means an obligation or security which by the terms of the related Underlying Instruments provides for an increase in the per annum interest rate on such obligation or security (other than by reason of any change in the applicable index or benchmark rate used to determine such interest rate or the operation of any specified "floor" for such index or benchmark as contemplated by clause (b) of the definition of "LIBOR Floor Obligation") or in the spread over the applicable index or benchmark rate, over time (in each case other than increases that are conditioned upon a decline in the creditworthiness of the obligor or changes in a pricing grid or based on deteriorations in financial ratios); *provided* that an obligation or security providing for payment of a constant rate of interest at all times after the date of acquisition by the Issuer shall not constitute a Step-Up Obligation.

"**Structured Finance Obligation**" means any obligation secured directly by, referenced to, or representing ownership of, a pool of receivables or other financial assets of any obligor, including collateralized debt obligations and mortgage-backed securities.

"**Subordinated Note Issuing and Paying Agency Agreement**" means the agreement dated on or about May 14, 2015 between the Issuer and the Subordinated Note Issuing and Paying Agent relating to the issuance of the Subordinated Notes and payments in respect thereof.

"**Subordinated Note Issuing and Paying Agent**" means U.S. Bank National Association, in its capacity as subordinated note issuing and paying agent under the Subordinated Note Issuing and Paying Agency Agreement, and any successor thereto.

"**Subordinated Noteholders**" means the Holders of the Subordinated Notes.

"**Subordinated Notes**" means the Subordinated Notes issued pursuant to the Subordinated Note Issuing and Paying Agency Agreement.

"**Subordinated Notes Internal Rate of Return**" means, as of any date of determination, an annualized internal rate of return (computed using the "XIRR" function in Microsoft® Excel 2002 or an equivalent function in another software package), stated on a per annum basis, for the following cash flows, assuming all Subordinated Notes were purchased on the Closing Date for U.S.$44,800,000:

(i) each distribution of Interest Proceeds made to the holders of the Subordinated Notes on any prior Payment Date and, to the extent necessary to reach the applicable Subordinated Notes Internal Rate of Return, the current Payment Date; and

(ii) each distribution of Principal Proceeds made to the holders of the Subordinated Notes on any prior Payment Date and, to the extent necessary to reach the applicable Subordinated Notes Internal Rate of Return, the current Payment Date.

"**Supermajority**" means (a) with respect to any Class of Secured Notes, the holders of at least 66-2/3% of the Aggregate Outstanding Amount of the Secured Notes of such Class and (b) with respect to the Subordinated Notes, the holders of at least 66-2/3% of the Aggregate Outstanding Amount of the Subordinated Notes.

"**Synthetic Security**" means a security or swap transaction, other than a Participation Interest, that has payments associated with either payments of interest on and/or principal of a reference obligation or the credit performance of a reference obligation.

"**Target Initial Par Amount**" equals U.S.$500,000,000.

"**Target Initial Par Condition**" means a condition satisfied as of any date of determination if (i) the Aggregate Principal Balance of Collateral Obligations that are held by the Issuer and that the Issuer has committed to purchase on such date, together (without duplication) with (ii) the amount of any proceeds of prepayments, maturities or redemptions of Collateral Obligations purchased by the Issuer prior to such date (other than any such proceeds that have been reinvested or committed to be reinvested in Collateral Obligations held by the Issuer under clause (i) on such date of determination which shall be included in the determination of the Aggregate Principal Balance), will equal or exceed the Target Initial Par Amount; *provided* that for purposes of this definition, any Collateral Obligation that becomes a Defaulted Obligation prior to the Effective Date shall be treated as having a Principal Balance equal to its Moody's Collateral Value.

"**Tax**" means any tax, levy, impost, duty, charge or assessment of any nature (including interest, penalties and additions thereto) imposed by any governmental taxing authority.

"**Tax Event**" means an event that occurs if (i) any obligor under any Collateral Obligation is required to deduct or withhold from any payment under such Collateral Obligation to the Issuer for or on account of any Tax for whatever reason (other than (x) withholding tax on (1) amendment, waiver, consent and extension fees and (2) commitment fees and other similar fees in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations and (y) withholding tax imposed as a result of the failure by any Holder to comply with its Noteholder Reporting Obligations, so long as the Issuer, within 60 days after the imposition of such withholding tax, exercises its right to demand that such Non-Permitted Holder transfer its interest to a Person that is not a Non-Permitted Holder and, if such Non-Permitted Holder fails to so transfer its Notes, the Issuer (or the Collateral Manager acting for the Issuer) exercises its right to sell such Notes or interest therein to a person that is not a Non-Permitted Holder) and such obligor is not required to pay to the Issuer such additional amount as is necessary to ensure that the net

amount actually received by the Issuer (free and clear of Taxes, whether assessed against such obligor or the Issuer) will equal the full amount that the Issuer would have received had no such deduction or withholding occurred or (ii) any jurisdiction imposes net income, profits or similar Tax on the Issuer. Notwithstanding the foregoing, taxes imposed under FATCA shall be disregarded in applying the definition of "Tax Event", except that a Tax Event will also occur if (i) FATCA Compliance Costs over the remaining period that any Notes would remain outstanding (disregarding any redemption of Notes arising from a Tax Event under this sentence), as reasonably estimated by the Issuer (or the Collateral Manager acting on behalf of the Issuer) are expected to be incurred in an aggregate amount in excess of $250,000, and (ii) any such withholding taxes are imposed (or are reasonably expected by the Issuer or the Collateral Manager acting on its behalf to be imposed) in an aggregate amount in excess of $500,000.

"**Tax Jurisdiction**" means the Bahamas, Bermuda, the British Virgin Islands, the Cayman Islands, the Channel Islands or the Netherlands Antilles and any other tax advantaged jurisdiction as may be notified by Moody's to the Collateral Manager from time to time.

"**Transaction Documents**" means the Indenture, the Collateral Management Agreement, the Collateral Administration Agreement, the Securities Account Control Agreement, the Note Purchase Agreement, the Subordinated Note Issuing and Paying Agency Agreement and the Administration Agreement.

"**Transfer Agent**" means the Person or Persons, which may be the Issuer, authorized by the Issuer to exchange or register the transfer of Notes.

"**Trustee**" means U.S. Bank National Association, in its capacity as Trustee under the Indenture, and any successor thereto.

"**Underlying Instrument**" means the indenture or other agreement pursuant to which an Asset has been issued or created and each other agreement that governs the terms of or secures the obligations represented by such Asset or of which the holders of such Asset are the beneficiaries.

"**Unpaid Class AX Principal Amortization Amount**" means, for any Payment Date, the aggregate amount of all or any portion of the Class AX Principal Amortization Amounts for any prior Payment Dates that were not paid on such prior Payment Dates.

"**Unscheduled Principal Payments**" means any principal payments received with respect to a Collateral Obligation during and after the Reinvestment Period as a result of optional redemptions, exchange offers, tender offers, consents or other payments or prepayments (x) made at the option of the issuer thereof, (y) not payable on scheduled dates or (z) not made in pre-determined amounts.

"**Unsecured Loan**" means a senior unsecured Loan obligation of any corporation, partnership or trust which is not (and by its terms is not permitted to become) subordinate in right of payment to any other debt for borrowed money incurred by the obligor under such Loan (other than any subordination resulting from such other debt for borrowed money being secured by all or any portion of the assets of such obligor and having a prior claim to the proceeds of such assets upon sale or liquidation).

"**Volcker Rule**" means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder.

"**Warehouse Principal Financed Accrued Interest**" means with respect to any Collateral Obligation owned or purchased by the Issuer on the Closing Date, an amount equal to the unpaid interest on such Collateral Obligation that accrued prior to the Closing Date that is owing to the Issuer and remains unpaid as of the Closing Date, as set forth in the Indenture.

INDEX OF DEFINED TERMS

Following is an index of defined terms used in this Offering Circular and the page number where each definition appears.

Annex A-1

FORM OF PURCHASER REPRESENTATION LETTER FOR ERISA RESTRICTED CERTIFICATED NOTES THAT ARE SUBORDINATED NOTES

[DATE]

U.S. Bank National Association, as Subordinated Note Issuing and Paying Agent
111 Fillmore East
St. Paul, MN 55107
Attention: Bondholder Services EP-MN-WS2N

Re: AMMC CLO 16, Limited (the "**Issuer**"); Subordinated Notes

Reference is hereby made to the Subordinated Note Issuing and Paying Agency Agreement, dated as of May 14, 2015, between the Issuer and U.S. Bank National Association, as Subordinated Note Issuing and Paying Agent (as amended from time to time, the "**Subordinated Note Issuing and Paying Agency Agreement**"). Capitalized terms not defined in this Certificate shall have the meanings ascribed to them in the Subordinated Note Issuing and Paying Agency Agreement or, if not defined therein, in the final offering circular in respect of the Subordinated Notes referenced below.

This letter relates to U.S.$ _____ aggregate outstanding principal amount of Subordinated Notes (the "**Subordinated Notes**") in the form of one or more certificated Subordinated Notes to effect the transfer of the Subordinated Notes to _____ (the "**Transferee**"**).**

The Transferee hereby represents, warrants and covenants for the benefit of the Issuer and its counsel that it is:

(a) **(PLEASE CHECK ONLY ONE)**

_____ a "qualified institutional buyer" as defined in Rule 144A under the United States Securities Act of 1933, as amended (the "**Securities Act**"), who is also a "qualified purchaser" (within the meaning of the Investment Company Act (as defined below) and the rules thereunder, a "**Qualified Purchaser**") or an entity beneficially owned exclusively by Qualified Purchasers and is acquiring the Subordinated Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder;

_____ a "qualified institutional buyer" as defined in Rule 144A under the Securities Act who is also a Knowledgeable Employee with respect to the Issuer or an entity owned exclusively by Knowledgeable Employees with respect to the Issuer and is acquiring the Subordinated Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder;

_____ an institutional "accredited investor" as defined in Rule 501(a)(1)-(3) or (7) under the Securities Act who is also a Qualified Purchaser or an entity beneficially owned exclusively by Qualified Purchasers; or

_____ an "accredited investor" as defined in Rule 501(a) under the Securities Act who is also a Knowledgeable Employee with respect to the Issuer or an entity owned exclusively by Knowledgeable Employees with respect to the Issuer; and

(b) acquiring the Subordinated Notes for our own account (and not for the account of any other Person) in a minimum denomination of U.S.$100,000 and in integral multiples of U.S.$1.00 in excess thereof.

The Transferee further represents, warrants and agrees as follows:

1. The Transferee understands that the Subordinated Notes are being offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, such Subordinated Notes have not been and will not be registered under the Securities Act, and, if in the future it decides to offer, resell,

pledge or otherwise transfer the Subordinated Notes, such Subordinated Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Subordinated Note Issuing and Paying Agency Agreement and the legends on such Subordinated Notes, including any requirement for written certifications. In particular, the Transferee understands that the Subordinated Notes may be transferred only (I) to a person that is (a) a "qualified purchaser" (as defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**") and the rules thereunder), (b) a Knowledgeable Employee, as defined in Rule 3c-5 promulgated under the Investment Company Act, with respect to the Issuer or (c) an entity beneficially owned exclusively by Qualified Purchasers or owned exclusively by Knowledgeable Employees with respect to the Issuer and in the case of (a), (b) and (c) above that is either (i) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act who purchases such Subordinated Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder or (ii) an institutional "accredited investor" as defined in Rule 501(a)(1)-(3) or (7) under the Securities Act that purchases such Subordinated Notes in a non-public transaction or solely in the case of Knowledgeable Employees (or entities owned exclusively by Knowledgeable Employees) with respect to the Issuer, an "accredited investor" as defined in Rule 501(a) under the Securities Act that purchases such Subordinated Notes in a non-public transaction or (II) to a person that is not a "U.S. person" as defined in Regulation S under the Securities Act, and is acquiring the Subordinated Notes in an offshore transaction (as defined in Regulation S thereunder) in reliance on the exemption from registration provided by Regulation S thereunder. The Transferee acknowledges that no representation is made as to the availability of any exemption under the Securities Act or any state securities laws for resale of the Subordinated Notes. It understands that neither of the Co-Issuers has been registered under the Investment Company Act, and that the Co-Issuers are exempt from registration as such by virtue of Section 3(c)(7) of the Investment Company Act. The Transferee understands and acknowledges that the Issuer has the right, under the Subordinated Note Issuing and Paying Agency Agreement, to compel any Holder or beneficial owner of an interest in the Subordinated Notes that fails to comply with the foregoing requirements to sell its interest in such Subordinated Notes, or may sell such interest on behalf of such Holder or owner.

2. In connection with its purchase of the Subordinated Notes: (i) none of the Co-Issuers, the Initial Purchaser, the Collateral Manager, the Subordinated Note Issuing and Paying Agent, the Trustee, the Collateral Administrator or any of their respective Affiliates is acting as a fiduciary or financial or investment adviser for it; (ii) the Transferee is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Co-Issuers, the Initial Purchaser, the Collateral Manager, the Subordinated Note Issuing and Paying Agent, the Collateral Administrator or any of their respective Affiliates other than any statements in the final offering circular for such Subordinated Notes; (iii) the Transferee has read and understands the final offering circular for such Subordinated Notes (including, without limitation, the descriptions therein of the structure of the transaction in which the Subordinated Notes are being issued and the risks to purchasers of the Subordinated Notes); (iv) the Transferee has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent it has deemed necessary, and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Subordinated Note Issuing and Paying Agency Agreement) based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Co-Issuers, the Initial Purchaser, the Collateral Manager, the Subordinated Note Issuing and Paying Agent, the Collateral Administrator or any of their respective Affiliates; (v) the Transferee will hold and transfer at least the minimum denomination of such Subordinated Notes; (vi) the Transferee was not formed for the purpose of investing in the Subordinated Notes; (vii) the Transferee is a sophisticated investor and is purchasing the Subordinated Notes with a full understanding of all of the terms, conditions and risks thereof, and it is capable of assuming and willing to assume those risks; (viii) none of the Transferee or any of its affiliates (as such term is defined in Rule 501(b) of Regulation D under the Securities Act) or any other Person acting on any of their behalf will engage, in connection with such Subordinated Notes, in any form of (A) general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act or (B) directed selling efforts within the meaning of Rule 902(c) of Regulation S thereunder; (ix) the Transferee has not solicited and will not solicit offers for such Subordinated Notes, and has not arranged and will not arrange commitments to purchase such Subordinated Notes, except in accordance with the Subordinated Note Issuing and Paying Agency Agreement and any applicable U.S. federal and state securities laws and the securities laws of any other jurisdiction in which such Subordinated Notes have been offered and (x) if the Transferee is not a United States person (as defined below), it is not acquiring any Subordinated Note as part of a plan to reduce, avoid or evade U.S. federal income tax.

3. (i) The Transferee is either (x) a Person that is (A) a Qualified Purchaser for purposes of Section 3(c)(7) of the Investment Company Act, (B) a Knowledgeable Employee with respect to the Issuer for purposes of Rule 3c-5 of the Investment Company Act or (C) an entity beneficially owned exclusively by Qualified Purchasers or an entity owned exclusively by Knowledgeable Employees with respect to the Issuer and in the case of (A), (B) and (C) above that is either (1) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act who purchases such Subordinated Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder or (2) an institutional "accredited investor" as defined in Rule 501(a)(1)-(3) or (7) under the Securities Act or solely with respect to Knowledgeable Employees (or entities owned exclusively by Knowledgeable Employees) with respect to the Issuer, an "accredited investor" as defined in Rule 501(a) under the Securities Act that purchase such Secured Notes in a non-public transaction or (y) not a "U.S. person" as defined in Regulation S under the Securities Act and is acquiring the Subordinated Notes in an offshore transaction (as defined in Regulation S thereunder) in reliance on the exemption from registration provided by Regulation S thereunder; (ii) the Transferee is acquiring the Subordinated Notes as principal solely for its own account for investment and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; (iii) the Transferee is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(i)(d) or (a)(1)(i)(e) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(i)(f) of Rule 144A under the Securities Act that holds the assets of such a plan, if investment decisions with respect to the plan are made by beneficiaries of the plan; (iv) the Transferee agrees that it shall not hold any Subordinated Notes for the benefit of any other Person, that it shall at all times be the sole beneficial owner thereof for purposes of the Investment Company Act and all other purposes and that it shall not sell participation interests in the Subordinated 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 Subordinated Notes and (v) the Transferee will hold and transfer at least the minimum denomination of the Subordinated Notes and the Transferee will provide notice of the relevant transfer restrictions to subsequent transferees, including that the Transferee may be relying on the exemption from registration under the Securities Act provided by Rule 144A thereunder.

4. The Transferee acknowledges and agrees that all of the assurances given by it in certifications required by the Subordinated Note Issuing and Paying Agency Agreement as to its status under the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") or as to its status as an Affected Bank are correct and are for the benefit of the Issuer, the Subordinated Note Issuing and Paying Agent, the Initial Purchaser and the Collateral Manager. The Transferee agrees and acknowledges that neither the Issuer nor the Subordinated Note Issuing and Paying Agent will recognize any transfer of the Subordinated Notes if such transfer may result in 25% or more of the value of the Subordinated Notes being held by Benefit Plan Investors, as defined in Section 3(42) of ERISA. The Transferee further agrees and acknowledges that no transfer of a Global Note to a Benefit Plan Investor or 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 will be permitted. For this purpose, 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, and "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 and will be effective and the Subordinated Note Issuing and Paying Agent will not recognize any such transfer. The Transferee further agrees and acknowledges that the Issuer has the right, under the Subordinated Note Issuing and Paying Agency Agreement, to compel any beneficial owner of a Subordinated Note who has made or has been deemed to make a 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% Limitation to sell its interest in the Subordinated Note, or may sell such interest on behalf of such owner. The Transferee further agrees and acknowledges that no transfer of a Subordinated Note to an Affected Bank will be effective and none of the Issuer or the Subordinated Note Issuing and Paying Agent will recognize any such transfer, unless such transfer is specifically authorized by the Issuer in writing; *provided* that the Issuer shall authorize any such transfer if (x) such transfer would not cause an Affected Bank, directly or in conjunction with its affiliates, to own more than 33-1/3% of the aggregate outstanding principal amount of the Subordinated Notes or (y) the transferor is an Affected Bank previously approved by the Issuer.

5. The Transferee will treat its Subordinated Notes as equity in the Issuer for United States federal and, to the extent permitted by law, state and local income and franchise tax purposes unless otherwise required by any relevant taxing authority.

6. The Transferee is _____ (check if applicable) a "United States person" within the meaning of Section 7701(a)(30) of the Code, and a properly completed and signed Internal Revenue Service Form W-9 (or applicable successor form) is attached hereto; or _____ (check if applicable) not a "United States person" within the meaning of Section 7701(a)(30) of the Code, and a properly completed and signed applicable Internal Revenue Service Form W-8 (or applicable successor form) is attached hereto. The Transferee understands and acknowledges that failure to provide the Issuer or the Subordinated Note Issuing and Paying Agent with the applicable tax certifications or the failure to meet its Noteholder Reporting Obligations may result in withholding or back-up withholding from payments to it in respect of the Subordinated Notes.

7. The Transferee hereby agrees to provide the Issuer and Subordinated Note Issuing and Paying Agent (i) any information as is necessary (in the sole determination of the Issuer or the Subordinated Note Issuing and Paying Agent, as applicable) for the Issuer and the Subordinated Note Issuing and Paying Agent to determine whether it is a United States person as defined in Section 7701(a)(30) of the Code (a "**United States person**"), a United States owned foreign entity as described in Section 1471(d)(3) of the Code (a "**United States owned foreign entity**") or a foreign financial institution as defined in Section 1471(d)(4) of the Code and (ii) any additional information that the Issuer or its agent requests in connection with Sections 1471-1474 of the Code or any intergovernmental agreement relating to such provisions between the United States of America and the jurisdiction of formation of the Issuer and any enacting legislation related thereto. If the Transferee is a United States person or a United States owned foreign entity, the Transferee also hereby agrees to (x) provide the Issuer and Subordinated Note Issuing and Paying Agent its name, address, U.S. taxpayer identification number, or if it is a United States owned foreign entity, the name, address and taxpayer identification number of each of its "substantial United States owners" (as defined in Section 1473(2) of the Code) and any other information requested by the Issuer or its agent upon request and (y) update any such information provided in clause (x) promptly upon learning that any such information previously provided has become obsolete or incorrect or is otherwise required. The Transferee understands and acknowledges that the Issuer may provide such information and any other information concerning its investment in the Subordinated Notes to the U.S. Internal Revenue Service. The Transferee understands and acknowledges that the Issuer has the right, under the Subordinated Note Issuing and Paying Agency Agreement, to (i) withhold any payments on the Subordinated Notes for taxes imposed under FATCA and (ii) compel any Holder or beneficial owner of an interest in the Subordinated Notes that fails to comply with the foregoing requirements or whose ownership of the Subordinated Notes may preclude the Issuer's FATCA Compliance to sell its interest in such Subordinated Notes, or may sell such interest on behalf of such Holder or owner.

8. The Transferee agrees not to seek to commence in respect of the Issuer, the Co-Issuer or any Blocker Subsidiary, or cause the Issuer, the Co-Issuer or any Blocker Subsidiary to commence, a bankruptcy proceeding before a year and a day has elapsed since the payment in full to the holders of the Notes (and any other debt obligations of the Issuer that have been rated upon issuance by any Rating Agency at the request of the Issuer) issued pursuant to the Indenture or, if longer, the applicable preference period then in effect.

9. The Transferee hereby represents and warrants that it is not an Affected Bank and it agrees and acknowledges that no transfer of a Subordinated Note to an Affected Bank will be effective and the Subordinated Note Issuing and Paying Agent will not recognize any such transfer, unless such transfer is specifically authorized by the Issuer in writing; *provided* that the Issuer shall authorize any such transfer if (x) such transfer would not cause an Affected Bank, directly or in conjunction with its affiliates, to own more than 33-1/3% of the aggregate outstanding principal amount of the Subordinated Notes or (y) the transferor is an Affected Bank previously approved by the Issuer. An "**Affected Bank**" is a "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that is not (a) a United States person (within the meaning of Section 7701(a)(30) of the Code), (b) entitled to the benefits of an income tax treaty with the United States under which withholding taxes on interest payments made by obligors resident in the United States to such bank are reduced to 0%, or (c) exempt from U.S. federal withholding tax due to its income being effectively connected with a trade or business in the United States.

10. To the extent required by the Issuer, as determined by the Issuer or the Collateral Manager on behalf of the Issuer, the Issuer may, upon notice to the Subordinated Note Issuing and Paying Agent, impose additional transfer restrictions on the Subordinated Notes to comply with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 and other similar laws or regulations,

including, without limitation, requiring each transferee of a Subordinated Note to make representations to the Issuer in connection with such compliance.

11. The Transferee represents and warrants that _____ (check if applicable) upon acquisition by the Transferee of the Subordinated Notes, the Subordinated Notes will constitute Collateral Manager Notes; or _____ (check if applicable) upon acquisition by the Transferee of the Subordinated Notes, the Subordinated Notes will not constitute Collateral Manager Notes.

12. The Transferee will provide notice to each person to whom the Transferee proposes to transfer any interest in the Subordinated Notes of the transfer restrictions and representations set out in Section 2.4 (Registration, Registration of Transfer and Exchange) of the Subordinated Note Issuing and Paying Agency Agreement, including the Exhibits referenced therein, and the legends on the Subordinated Notes.

13. The Transferee understands that the Issuer, the Subordinated Note Issuing and Paying Agent, the Initial Purchaser and their respective counsel will rely upon the accuracy and truth of the foregoing representations, and the Transferee hereby consents to such reliance.

[The remainder of this page has been intentionally left blank.]

Name of Purchaser:

Dated:

_____

By:
Name:
Title:

Outstanding principal amount of Subordinated Notes: U.S.$_____

Taxpayer identification number:

Address for notices:

Wire transfer information for payments:

Bank:

Address:

Bank ABA#:

Account #:

Telephone:

FAO:

Facsimile:

Attention:

Attention:

Denominations of certificates (if applicable and if more than one):
Registered name:

cc: AMMC CLO 16, Limited
c/o MaplesFS Limited
P.O. Box 1093
Queensgate House
Grand Cayman, KY1-1102
Cayman Islands

Annex A-2

FORM OF ERISA AND AFFECTED BANK CERTIFICATE

The purpose of this Certificate (this "**Certificate**") is, among other things, to (i) endeavor to ensure that less than 25% of the value of each Class of ERISA Restricted Notes issued by AMMC CLO 16, Limited (the "**Issuer**") is held by "Benefit Plan Investors" as contemplated and defined under Section 3(42) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and the U.S. Department of Labor's regulations set forth at 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulations**"), so that the Issuer will not be subject to the U.S. federal employee benefits provisions contained in ERISA and Section 4975 of the Internal Revenue Code of 1986 (the "**Code**"), (ii) endeavor to ensure that no Affected Bank, directly or in conjunction with its affiliates, owns more than 33-1/3% of the Subordinated Notes or any Class of Secured Notes, (iii) obtain from you certain representations and agreements and (iv) provide you with certain related information with respect to your acquisition, holding or disposition of ERISA Restricted 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. Capitalized terms not defined in this Certificate shall have the meanings ascribed to them in the final offering circular of the Issuer and the Indenture or the Subordinated Note Issuing and Paying Agency Agreement.

Please review the information in this Certificate and check the box(es) that are applicable to you.

If a box is not checked, you are agreeing that the applicable Section does not, and will not, apply to you. If you intend to purchase interests in ERISA Restricted Notes in the form of Global Notes, you must check Box 4 and you must not check Boxes 1, 2, 3 or 7; otherwise you will not be permitted to purchase such interests.

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 Part 4 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 by Reason of Plan Asset Regulations**. We, or the entity on whose behalf we are acting, are an entity, account or fund whose underlying assets include "plan assets" by reason of a Benefit Plan Investor's investment in such entity.

> **Examples**: (i) an insurance company separate account, (ii) a bank collective trust fund and (iii) a hedge fund or other private investment vehicle where 25% 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: ____%.

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% of the value of each Class of ERISA Restricted Notes issued by the Issuer, 100% 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 question 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 ERISA Restricted Notes with funds from our or their general account (*i.e.*, the insurance company's corporate investment portfolio), whose assets, in whole or in part, constitute "plan assets" for purposes of the Plan Asset Regulations.

If you check Box 3, please indicate the maximum percentage of the insurance company general account that will constitute "plan assets" for purposes of conducting the 25% test under the Plan Asset Regulations:____%. IF YOU DO NOT INCLUDE ANY PERCENTAGE IN THE BLANK SPACE, YOU WILL BE COUNTED AS IF YOU FILLED IN 100% 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.

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 ERISA Restricted Notes do not and will not constitute or give rise to a non-exempt prohibited transaction under 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 and the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions of ERISA or Section 4975 of the Code, and (b) our acquisition, holding and disposition of 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 ERISA or Section 4975 of the Code.

7. ☐ **Controlling Person**. We are, or we are acting on behalf of any of: (i) the Trustee, (ii) the Subordinated Note Issuing and Paying Agent, (iii) the Collateral Manager, (iv) any person that has discretionary authority or control with respect to the assets of the Issuer, (v) any person who provides investment advice for a fee (direct or indirect) with respect to such assets or (vi) 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% of the value of each Class of ERISA Restricted Notes, the value of any ERISA Restricted Notes held by Controlling Persons (other than Benefit Plan Investors) are required to be disregarded.

Compelled Disposition. We acknowledge and agree that:

(i) if any representation that we made hereunder is subsequently shown to be false or misleading or our beneficial ownership otherwise causes a violation of the 25% Limitation, the Issuer shall, promptly after such discovery (or upon notice from the Trustee or the Subordinated Note Issuing and Paying Agent if the Trustee or the Subordinated Note Issuing and Paying Agent makes the discovery (who, in each case, agree to notify the Issuer of such discovery, if any)), send notice to us demanding that we transfer our interest to a person that is not a Non-Permitted ERISA Holder within 20 days after the date of such notice;

(ii) if we fail to transfer our ERISA Restricted Notes that are causing a violation of the 25% Limitation, the Issuer shall have the right, without further notice to us, to sell such ERISA Restricted Notes or our interest in such ERISA Restricted Notes, to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Holder on such terms as the Issuer may choose;

(iii) the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to such ERISA Restricted

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 ERISA Restricted Notes, we agree to cooperate with the Issuer to effect such transfers;

(v) the proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to us; and

(vi) the terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and the Issuer shall not be liable to us as a result of any such sale or the exercise of such discretion.

Required Notification and Agreement. We hereby agree that we (a) will inform the Trustee or the Subordinated Note Issuing and Paying Agent (as applicable) of any proposed transfer by us of all or a specified portion of ERISA Restricted Notes and (b) will not initiate any such transfer after we have been informed by the Issuer or either of the Trustee or the Subordinated Note Issuing and Paying Agent (as applicable) in writing that such transfer would cause the 25% Limitation to be exceeded. We hereby agree and acknowledge that after the Trustee or the Subordinated Note Issuing and Paying Agent effects any permitted transfer of ERISA Restricted Notes owned by us to a Benefit Plan Investor or a Controlling Person or receives notice of any such permitted change of status, the Trustee or the Subordinated Note Issuing and Paying Agent shall include such ERISA Restricted Notes in future calculations of the 25% Limitation unless subsequently notified that such ERISA Restricted Notes (or such portion), as applicable, would no longer be deemed to be held by Benefit Plan Investors or Controlling Persons.

8. ☐ **Affected Bank**. We, or the entity on whose behalf we are acting, are a "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that is not (x) a United States person (within the meaning of Section 7701(a)(30) of the Code), (y) entitled to the benefits of an income tax treaty with the United States under which withholding taxes on interest payments made by obligors resident in the United States to such bank are reduced to 0%, or (z) exempt from U.S. federal withholding tax due to its income being effectively connected with a trade or business in the United States.

Note: We understand that, if we checked the box in Section 8, the Trustee or the Subordinated Note Issuing and Paying Agent (as applicable) will not register the transfer of ERISA Restricted Notes to us unless such transfer is specifically authorized by the Issuer in writing; *provided* that the Issuer shall authorize any such transfer if (x) such transfer would not cause an Affected Bank, directly or in conjunction with its affiliates, to own more than 33-1/3% of the aggregate outstanding principal amount of the Subordinated Notes or any Class of Secured Notes or (y) the transferor of the ERISA Restricted Notes to it is an Affected Bank previously approved by the Issuer.

9. **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 ERISA Restricted Notes. We understand and agree that the information supplied in this Certificate will be used and relied upon by the Issuer, the Trustee, and the Subordinated Note Issuing and Paying Agent to determine that (i) Benefit Plan Investors own or hold less than 25% of the value of each Class of ERISA Restricted Notes upon any subsequent transfer of ERISA Restricted Notes in accordance with the Indenture or the Subordinated Note Issuing and Paying Agency Agreement (as applicable) and (ii) no Affected Bank, directly or in conjunction with its affiliates, owns or holds more than 33-1/3% of the Subordinated Notes or any Class of Secured Notes at any time.

10. **Further Acknowledgement and Agreement**. We acknowledge and agree that (i) all of the assurances contained in this Certificate are for the benefit of the Issuer, the Trustee, the Subordinated Note Issuing and Paying Agent, the Initial Purchaser and the Collateral Manager as third-party beneficiaries hereof, (ii) copies of this Certificate and any information contained herein may be provided to the Issuer, the Trustee, the Subordinated Note Issuing and Paying Agent, the Initial Purchaser, the Collateral Manager, Affiliates of any of the foregoing parties and to each of the foregoing parties' respective counsel for purposes of making the determinations described above

and (iii) any acquisition or transfer of ERISA Restricted 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.

11. **Future Transfer Requirements**.

Transferee Letter and its Delivery. We acknowledge and agree that we may not transfer any ERISA Restricted Notes to any person unless the Trustee or the Subordinated Note Issuing and Paying Agent, as applicable, has received a certificate substantially in the form of this Certificate. Any attempt to transfer in violation of this section will be null and void from the beginning, and of no legal effect.

Note: Unless you are notified otherwise, the name and address of the Trustee is as follows:

For Note transfer purposes and presentment:

U.S. Bank National Association, as Trustee
111 Fillmore East
St. Paul, MN 55107
Attention: Bondholder Services EP-MN-WS2N

For all other purposes:

U.S. Bank National Association, as Trustee
One Federal Street, 3rd Floor
Boston, MA 02110
Attention: Global Corporate Trust Services – AMMC CLO 16

and the name and address of the Subordinated Note Issuing and Paying Agent is as follows:

For Note transfer purposes and presentment:

U.S. Bank National Association, as Subordinated Note Issuing and Paying Agent
111 Fillmore East
St. Paul, MN 55107
Attention: Bondholder Services EP-MN-WS2N

For all other purposes:

U.S. Bank National Association, as Subordinated Note Issuing and Paying Agent
One Federal Street, 3rd Floor
Boston, MA 02110
Attention: Global Corporate Trust Services – AMMC CLO 16

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate.

Name of Purchaser: _____

_____
By:
Name:
Title:
Dated:

This Certificate relates to U.S.$_____ of ERISA Restricted Notes

Annex A-3

FORM OF PURCHASER REPRESENTATION LETTER FOR ERISA RESTRICTED CERTIFICATED NOTES THAT ARE SECURED NOTES

[DATE]

U.S. Bank National Association, as Trustee
111 Fillmore East
St. Paul, MN 55107
Attention: Bondholder Services EP-MN-WS2N

Re: AMMC CLO 16, Limited (the "**Issuer**")

Reference is hereby made to the Indenture, dated as of May 14, 2015, between the Issuer, AMMC CLO 16, Corp. (the "**Co-Issuer**" and, together with the Issuer, the "**Co-Issuers**") and U.S. Bank National Association, as Trustee and, solely as expressly specified therein, in its individual capacity (as amended from time to time, the "**Indenture**"). Capitalized terms not defined in this Certificate shall have the meanings ascribed to them in the Indenture or, if not defined therein, the final offering circular in respect of the Secured Notes referenced below.

This letter relates to U.S.$ _____aggregate outstanding principal amount of Class E Notes (the "**Secured Notes**"), in the form of one or more Certificated Notes to effect the transfer of the Secured Notes to _____ _____ (the "**Transferee**").

In connection with such request, and in respect of such Secured Notes, the Transferee does hereby certify that the Secured Notes are being transferred (i) in accordance with the transfer restrictions set forth in the Indenture and (ii) pursuant to an exemption from registration under the United States Securities Act of 1933, as amended (the "**Securities Act**") and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

In addition, the Transferee hereby represents, warrants and covenants for the benefit of the Issuer and its counsel that we are:

(a) **(PLEASE CHECK ONLY ONE)**

_____a "qualified institutional buyer" as defined in Rule 144A under the United States Securities Act of 1933, as amended (the "**Securities Act**"), who is also a Qualified Purchaser or an entity beneficially owned exclusively by Qualified Purchasers and is acquiring the Secured Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder;

_____a "qualified institutional buyer" as defined in Rule 144A under the Securities Act who is also a Knowledgeable Employee with respect to the Issuer or an entity owned exclusively by Knowledgeable Employees with respect to the Issuer and is acquiring the Secured Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder;

_____an institutional "accredited investor" as defined in Rule 501(a)(1)-(3) or (7) under the Securities Act who is also a Qualified Purchaser or an entity beneficially owned exclusively by Qualified Purchasers;

_____an "accredited investor" as defined in Rule 501(a) under the Securities Act who is also a Qualified Purchaser or an entity beneficially owned exclusively by Qualified Purchasers; or

_____an "accredited investor" as defined in Rule 501(a) under the Securities Act who is also a Knowledgeable Employee with respect to the Issuer or an entity owned exclusively by Knowledgeable Employees with respect to the Issuer; and

(b) acquiring the Secured Notes for our own account (and not for the account of any other Person) in a minimum denomination of U.S.$100,000 and in integral multiples of U.S.$1.00 in excess thereof.

The Transferee further represents, warrants and covenants for the benefit of the Issuer as follows:

1. The Transferee understands that the Secured Notes are being offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, such Secured Notes have not been and will not be registered under the Securities Act, and, if in the future it decides to offer, resell, pledge or otherwise transfer the Secured Notes, such Secured Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture and the legends on such Secured Notes, including any requirement for written certifications. In particular, the Transferee understands that the Secured Notes may be transferred only (I) to a person that is (a) a "qualified purchaser" (as defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**") and the rules thereunder), (b) a "Knowledgeable Employee", as defined in Rule 3c-5 promulgated under the Investment Company Act (a "**Knowledgeable Employee**"), with respect to the Issuer or (c) an entity beneficially owned exclusively by Qualified Purchasers or owned exclusively by Knowledgeable Employees with respect to the Issuer and in the case of (a), (b) and (c) above that is either (i) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act who purchases such Secured Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder or (ii) an institutional "accredited investor" as defined in Rule 501(a)(1)-(3) or (7) under the Securities Act that purchases such Secured Notes in a non-public transaction or solely in the case of Knowledgeable Employees (or entities owned exclusively by Knowledgeable Employees) with respect to the Issuer, an "accredited investor" as defined in Rule 501(a) under the Securities Act that purchases such Secured Notes in a non-public transaction and in the form of an ERISA Restricted Certificated Secured Note or (II) to a person that is not a "U.S. person" as defined in Regulation S under the Securities Act, and is acquiring the Secured Notes in an offshore transaction (as defined in Regulation S thereunder) in reliance on the exemption from registration provided by Regulation S thereunder. The Transferee acknowledges that no representation has been made as to the availability of any exemption under the Securities Act or any state securities laws for resale of the Secured Notes. The Transferee understands that neither of the Co-Issuers has been registered under the Investment Company Act, and that the Co-Issuers are exempt from registration as such by virtue of Section 3(c)(7) of the Investment Company Act. The Transferee understands and acknowledges that the Issuer has the right, under the Indenture, to compel any Holder or beneficial owner of an interest in the Secured Notes that fails to comply with the foregoing requirements to sell its interest in such Secured Notes, or may sell such interest on behalf of such Holder or owner.

2. In connection with the Transferee's purchase of the Secured Notes: (i) none of the Co-Issuers, the Initial Purchaser, the Collateral Manager, the Trustee, the Collateral Administrator or any of their respective Affiliates is acting as a fiduciary or financial or investment adviser for the Transferee; (ii) the Transferee is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Co-Issuers, the Collateral Manager, the Trustee, the Collateral Administrator, the Initial Purchaser or any of their respective Affiliates other than any statements in the final offering circular for such Secured Notes; (iii) the Transferee has read and understands the final offering circular for such Secured Notes (including, without limitation, the descriptions therein of the structure of the transaction in which the Secured Notes are being issued and the risks to purchasers of the Secured Notes); (iv) the Transferee has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent it has deemed necessary, and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture) based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the Co-Issuers, the Initial Purchaser, the Collateral Manager, the Trustee, the Collateral Administrator or any of their respective Affiliates; (v) the Transferee will hold and transfer at least the minimum denomination of such Secured Notes; (vi) the Transferee was not formed for the purpose of investing in the Secured Notes; (vii) the Transferee is a sophisticated investor and is purchasing the Secured Notes with a full understanding of all of the terms, conditions and risks thereof, and it is capable of assuming and willing to assume those risks; (viii) none of the Transferee or any of its affiliates (as such term is defined in Rule 501(b) of Regulation D under the Securities Act) or any other Person acting on any of their behalf will engage, in connection with such Secured Notes, in any form of (A) general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act or (B) directed selling efforts within the meaning of Rule 902(c) of Regulation S thereunder; (ix) the Transferee has not solicited and will not solicit offers for such Secured Notes, and has not

arranged and will not arrange commitments to purchase such Secured Notes, except in accordance with the Indenture and any applicable U.S. federal and state securities laws and the securities laws of any other jurisdiction in which such Secured Notes have been offered and (x) if the Transferee is not a United States person (as defined below), it is not acquiring any Secured Note as part of a plan to reduce, avoid or evade U.S. federal income tax.

3. (i) The Transferee is either (x) a Person that is (A) a Qualified Purchaser for purposes of Section 3(c)(7) of the Investment Company Act or (B) a Knowledgeable Employee with respect to the Issuer or an entity beneficially owned exclusively by Qualified Purchasers or an entity owned exclusively by Knowledgeable Employees with respect to the Issuer and in the case of (A), (B) and (C) above that is either (1) (x) an "accredited investor" as defined in Rule 501(a) under the Securities Act or (y) an institutional "accredited investor" as defined in Rule 501(a)(1)-(3) or (7) under the Securities Act or (2) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act who purchases such Secured Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder or (y) not a "U.S. person" as defined in Regulation S under the Securities Act and is acquiring the Secured Notes in an offshore transaction (as defined in Regulation S thereunder) in reliance on the exemption from registration provided by Regulation S thereunder; (ii) the Transferee is acquiring its interest in the Secured Notes as principal solely for its own account for investment and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; (iii) the Transferee is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(i)(d) or (a)(1)(i)(e) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(i)(f) of Rule 144A under the Securities Act that holds the assets of such a plan, if investment decisions with respect to the plan are made by beneficiaries of the plan; (iv) the Transferee agrees that it shall not hold any Secured Notes for the benefit of any other Person, that it shall at all times be the sole beneficial owner thereof for purposes of the Investment Company Act and all other purposes and that it shall not sell participation interests in the Secured 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 Secured Notes; and (v) the Transferee will hold and transfer at least the minimum denomination of the Secured Notes and the Transferee will provide notice of the relevant transfer restrictions to subsequent transferees, including that the Transferee may be relying on the exemption from registration under the Securities Act provided by Rule 144A thereunder.

4. The Transferee acknowledges and agrees that all of the assurances given by it in certifications required by the Indenture as to its status under the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") or as to its status as an Affected Bank are correct and are for the benefit of the Issuer, the Trustee, the Initial Purchaser and the Collateral Manager. The Transferee agrees and acknowledges that none of Issuer or the Trustee will recognize any transfer of the Secured Notes that are ERISA Restricted Notes if such transfer may result in 25% or more of the value of the relevant Class of Secured Notes being held by Benefit Plan Investors, as defined in Section 3(42) of ERISA. The Transferee further agrees and acknowledges that no transfer of a Global Note to a Benefit Plan Investor or 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 will be permitted. For this purpose, 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, and "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. The Transferee further agrees and acknowledges that the Issuer has the right, under the Indenture, to compel any beneficial owner of a Secured Note who has made or has been deemed to make a 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% Limitation to sell its interest in the Secured Note, or may sell such interest on behalf of such owner. It further agrees and acknowledges that no transfer of a Secured Note to an Affected Bank will be effective and the Trustee will not recognize any such transfer, unless such transfer is specifically authorized by the Issuer in writing; *provided* that the Issuer shall authorize any such transfer if (x) such transfer would not cause an Affected Bank, directly or in conjunction with its affiliates, to own more than 33-13% of the aggregate outstanding principal amount of the Subordinated Notes or (y) the transferor is an Affected Bank previously approved by the Issuer.

5. The Transferee will treat its Secured Notes as debt of the Issuer for United States federal and, to the extent permitted by law, state and local income and franchise tax purposes unless otherwise required by any relevant taxing authority, except that Transferees of the Class E Notes may make a protective qualified electing fund election.

6. The Transferee is _____ (check if applicable) a "United States person" within the meaning of Section 7701(a)(30) of the Code, and a properly completed and signed Internal Revenue Service Form W-9 (or applicable successor form) is attached hereto; or _____ (check if applicable) not a "United States person" within the meaning of Section 7701(a)(30) of the Code, and a properly completed and signed applicable Internal Revenue Service Form W-8 (or applicable successor form) is attached hereto. It understands and acknowledges that failure to provide the Issuer or the Trustee with the applicable tax certifications or the failure to meet its Noteholder Reporting Obligations may result in withholding or back-up withholding from payments to it in respect of the Secured Notes.

7. The Transferee hereby agrees to provide the Issuer and Trustee (i) any information as is necessary (in the sole determination of the Issuer or the Trustee, as applicable) for the Issuer and the Trustee to determine whether it is a United States person as defined in Section 7701(a)(30) of the Code (a "**United States person**"), a United States owned foreign entity as described in Section 1471(d)(3) of the Code (a "**United States owned foreign entity**") or a foreign financial institution as defined in Section 1471(d)(4) of the Code and (ii) any additional information that the Issuer or its agent requests in connection with Sections 1471-1474 of the Code or any intergovernmental agreement relating to such provisions between the United States of America and the jurisdiction of formation of the Issuer and any enacting legislation related thereto. If the Transferee is a United States person or a United States owned foreign entity, it also hereby agrees to (x) provide the Issuer and Trustee its name, address, U.S. taxpayer identification number, or if it is a United States owned foreign entity, the name, address and taxpayer identification number of each of its "substantial United States owners" (as defined in Section 1473(2) of the Code) and any other information requested by the Issuer or its agent upon request and (y) update any such information provided in clause (x) promptly upon learning that any such information previously provided has become obsolete or incorrect or is otherwise required. The Transferee understands and acknowledges that the Issuer may provide such information and any other information concerning its investment in the Secured Notes to the U.S. Internal Revenue Service. The Transferee understands and acknowledges that the Issuer has the right, under the Indenture, to (i) withhold on any payments on the Secured Notes for taxes imposed under FATCA and (ii) compel any Holder or beneficial owner of an interest in the Secured Notes that fails to comply with the foregoing requirements or whose ownership of the Secured Notes may preclude the Issuer's FATCA Compliance to sell its interest in such Secured Notes, or may sell such interest on behalf of such owner.

8. The Transferee hereby represents and warrants that it is not an Affected Bank and it agrees and acknowledges that no transfer of a Secured Note to an Affected Bank will be effective and the Trustee will not recognize any such transfer, unless such transfer is specifically authorized by the Issuer in writing; *provided* that the Issuer shall authorize any such transfer if (x) such transfer would not cause an Affected Bank, directly or in conjunction with its affiliates, to own more than 33-1/3% of the aggregate outstanding principal amount of the Class E Notes or (y) the transferor is an Affected Bank previously approved by the Issuer. An "**Affected Bank**" is a "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that is not (a) a United States person (within the meaning of Section 7701(a)(30) of the Code), (b) entitled to the benefits of an income tax treaty with the United States under which withholding taxes on interest payments made by obligors resident in the United States to such bank are reduced to 0% or (c) exempt from U.S. federal withholding tax due to its income being effectively connected with a trade or business in the United States.

9. To the extent required by the Issuer, as determined by the Issuer or the Collateral Manager on behalf of the Issuer, the Issuer may, upon notice to the Trustee, impose additional transfer restrictions on the Secured Notes to comply with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 and other similar laws or regulations, including, without limitation, requiring each transferee of a Subordinated Note to make representations to the Issuer in connection with such compliance.

10. The Transferee agrees not to seek to commence in respect of the Issuer, the Co-Issuer or any Blocker Subsidiary, or cause the Issuer, the Co-Issuer or any Blocker Subsidiary to commence, a bankruptcy proceeding before a year and a day has elapsed since the payment in full to the holders of the Notes (and any other debt

obligations of the Issuer that have been rated upon issuance by any Rating Agency at the request of the Issuer) issued pursuant to the Indenture or, if longer, the applicable preference period then in effect.

11. The Transferee represents and warrants that _____ (check if applicable) upon acquisition by the Transferee of the Secured Notes, the Secured Notes will constitute Collateral Manager Notes; or _____ (check if applicable) upon acquisition by the Transferee of the Secured Notes, the Secured Notes will not constitute Collateral Manager Notes.

12. The Transferee will provide notice to each person to whom the Transferee proposes to transfer any interest in the Secured Notes of the transfer restrictions and representations set out in Section 2.5 (Registration, Registration of Transfer and Exchange) of the Indenture, including the Exhibits referenced therein, Sections 2.11 and 2.12 of the Indenture, and the legends on the Secured Notes.

13. The Transferee understands that the Issuer, the Trustee, the Initial Purchaser and their respective counsel will rely upon the accuracy and truth of the foregoing representations, and the Transferee hereby consents to such reliance.

[The remainder of this page has been intentionally left blank.]

Name of Purchaser:

Dated:

_____

By:
Name:
Title:

Outstanding principal amount of Class E Notes: U.S.$_____

Taxpayer identification number:

Address for notices:

Wire transfer information for payments:

Bank:

Address:

Bank ABA#:

Account #:

Telephone:

FAO:

Facsimile:

Attention:

Attention:

Denominations of certificates (if more than one):
Registered name:

cc: AMMC CLO 16, Limited
c/o MaplesFS Limited
P.O. Box 1093
Queensgate House
Grand Cayman, KY1-1102
Cayman Islands

Annex B

MOODY'S RATING DEFINITIONS

"**Assigned Moody's Rating**" means the monitored publicly available rating, the estimated rating or the unpublished monitored rating expressly assigned to a debt obligation (or facility) by Moody's that addresses the full amount of the principal and interest promised; *provided* that so long as the Issuer (or the Collateral Manager on its behalf) applies for a new estimated rating, or renewal of an estimated rating, in a timely manner and provides the information required to obtain such estimate or renewal, as applicable, then pending receipt of such estimate or renewal, as applicable, (A) in the case of a request for a new estimated rating, (i) for a period of 90 days, such debt obligation will have an Assigned Moody's Rating of "B3" for purposes of this definition if the Collateral Manager certifies to the Trustee that the Collateral Manager believes that such estimated rating will be at least "B3" and (ii) thereafter, such debt obligation will have an Assigned Moody's Rating of "Caa3", (B) in the case of an annual request for a renewal of an estimated rating, (i) the Issuer for a period of 30 days after 12 months from the previous applicable credit estimate, will continue using the previous estimated rating assigned by Moody's with respect to such debt obligation until such time as Moody's renews such estimated rating or assigns a new estimated rating for such debt obligation, (ii) after the expiration of such period as described in clause (i), for a period of 60 days thereafter, such prior estimated rating assigned by Moody's will be adjusted down one subcategory until such time as Moody's renews such estimated rating or assigns a new estimated rating for such debt obligation and (iii) at all times after the expiration of such 60-day period, but before Moody's renews such estimated rating or assigns a new estimated rating, such debt obligation will be deemed to have an Assigned Moody's Rating of "Caa3" and (C) in the case of a request for a renewal of an estimated rating following a material deterioration in the creditworthiness of the obligor or a material documentary change in respect of such debt obligation, the Issuer will continue using the previous estimated rating assigned by Moody's until such time as (x) Moody's renews such estimated rating or assigns a new estimated rating for such debt obligation or (y) the criteria specified in clause (A) in connection with an annual request for a renewal of an estimated rating becomes applicable in respect of such debt obligation; *provided further* that in the case of any Collateral Obligation that is the subject of a credit estimate by Moody's, the Issuer will, (a) on a quarterly basis, notify Moody's of (1) any Specified Amendment or (2) any documentary change which, in each case, is known to the Issuer or the Collateral Manager to have occurred during the related calendar quarter and deemed to be material by the Collateral Manager with respect to such Collateral Obligation and (b) in respect of any Collateral Obligation with respect to which notice has been given to Moody's pursuant to the foregoing clause (a), apply for a renewal of an estimated rating for such Collateral Obligation from Moody's promptly following the giving of such notice.

"**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*, that if such obligor does not have a corporate family rating by Moody's but any entity in the obligor's corporate family does have a corporate family rating, then the CFR is such corporate family rating.

"**Moody's Default Probability Rating**" means, with respect to any Collateral Obligation, as of any Measurement Date, the rating determined in accordance with the following methodology:

(a) With respect to a Collateral Obligation (other than any DIP Collateral Obligation), if the obligor of such Collateral Obligation has a CFR, then such CFR;

(b) With respect to a Collateral Obligation (other than any DIP Collateral Obligation) the rating of which is 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 such Assigned Moody's Rating on any such obligation as selected by the Collateral Manager in its sole discretion;

(c) With respect to a Collateral Obligation (other than any DIP Collateral Obligation) the rating of which is not determined pursuant to clauses (a) or (b) above, if the obligor of such Collateral Obligation has one or more senior secured obligations with an Assigned Moody's Rating (other than any estimated 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) With respect to a Collateral Obligation (other than any DIP Collateral Obligation) the rating of which is 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 as long as such credit estimate or a renewal for such credit estimate has been issued or provided by Moody's in each case within the 15 month period preceding the date on which the Moody's Default Probability Rating is being determined; *provided*, that if such credit estimate has been issued or provided by Moody's for a period (x) longer than 13 months but not beyond 15 months, the Moody's Default Probability Rating will be one subcategory lower than such credit estimate and (y) beyond 15 months, the Moody's Default Probability Rating will be deemed to be "Caa3";

(e) With respect to any DIP Collateral Obligation, the Moody's Default Probability Rating of such Collateral Obligation shall be the rating which is one subcategory below the Assigned Moody's Rating of such DIP Collateral Obligation;

(f) With respect to a Collateral Obligation the rating of which is not determined pursuant to any of clauses (a) through (e) above, at the election of the Collateral Manager, the Moody's Derived Rating; and

(g) With respect to a Collateral Obligation the rating of which is not determined pursuant to any of clauses (a) through (f) above, the Collateral Obligation will be deemed to have a Moody's Default Probability Rating of "Caa3";

provided, that for purposes of calculating a Moody's Default Probability Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated as having been upgraded or downgraded by one rating subcategory, as the case may be.

"**Moody's Derived Rating**" means, with respect to a Collateral Obligation whose Moody's Rating or Moody's Default Probability Rating is determined as the Moody's Derived Rating, the rating as determined in the manner set forth below:

(a) (i) If such Collateral Obligation has an S&P Rating, then by adjusting the S&P Rating by the number of rating subcategories pursuant to the table below:

Type of Collateral Obligation	S&P Rating (Public and Monitored)	Collateral Obligation Rated by S&P	Number of Subcategories Relative to Moody's Equivalent of S&P Rating
Not Structured Finance Obligation	≥ "BBB-"	Not a Loan or Participation Interest in a Loan	-1
Not Structured Finance Obligation	≤ "BB+"	Not a Loan or Participation Interest in a Loan	-2
Not Structured Finance Obligation		Loan or Participation Interest in a 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 subclause (a)(i) above, and the Moody's Derived Rating for purposes of clauses (a)(iv) and (b)(v) of the definition of "Moody's Rating" and clause (f) of the definition of "Moody's Default Probability Rating" (as applicable) of such Collateral Obligation in accordance with the methodology set forth in the following table (for such purposes treating the parallel security as if it were rated by Moody's at the rating determined pursuant to this subclause (a)(ii):

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

or

(iii) if such Collateral Obligation is a DIP Collateral Obligation, no Moody's Derived Rating may be determined based on a rating by S&P or any other rating agency;

provided, that the Aggregate Principal Balance of the Collateral Obligations that may have a Moody's Rating derived from an S&P Rating as set forth in sub-clauses (i) or (ii) of this clause (a) may not exceed 10% of the Collateral Principal Amount; or

(b) if not determined pursuant to clause (a) above and 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 credit estimate with respect to such Collateral Obligation but such rating or credit estimate has not been received, pending receipt of such estimate, the Moody's Derived Rating of such Collateral Obligation for purposes of the definitions of Moody's Rating or Moody's Default Probability Rating shall be (x) "B3" if the Collateral Manager certifies to the Trustee and the Collateral Administrator that the Collateral Manager believes that such estimate shall be at least "B3" and if the Aggregate Principal Balance of Collateral Obligations determined pursuant to this clause (b) does not exceed 5% of the Collateral Principal Amount or (y) otherwise, "Caa3";

provided, that for purposes of calculating a Moody's Derived Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated as having been upgraded or downgraded by one rating subcategory, as the case may be.

"**Moody's Rating**" means, with respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) With respect to a Collateral Obligation that is Senior Secured Loan:

(i) if such Collateral Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Obligation has a CFR, then the Moody's Rating that is one subcategory higher than such CFR;

(iii) if neither clause (i) nor (ii) above apply, if such Collateral Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Moody's Rating that is two 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 Senior Secured Loan:

(i) if such Collateral Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on any such obligation as selected by the Collateral Manager in its sole discretion;

(iii) if neither clause (i) nor (ii) above 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";

provided, that for purposes of calculating a Moody's Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated as having been upgraded or downgraded by one rating subcategory, as the case may be.

"**Specified Amendment**" means, with respect to any Collateral Obligation that is the subject of a credit estimate by Moody's, any waiver, modification, amendment or variance that would:

(i) any failure of the obligor thereunder to pay interest on or principal of such Collateral Obligation when due and payable;

(ii) the rescheduling of the payment of principal of or interest on such Collateral Obligation or any other obligations for borrowed money of such obligor;

(iii) the restructuring of any of the debt thereunder (including proposed debt);

(iv) any significant sales or acquisitions of assets by the obligor as reasonably determined by the Collateral Manager;

(v) the reduction or increase in the cash interest rate payable by the obligor thereunder (excluding any increase in an interest rate arising by operation of a default or penalty interest clause under a Collateral Obligation);

(vi) the extension of the stated maturity date of such Collateral Obligation; or

(vii) the addition of payment-in-kind terms.

Annex C

S&P RATING DEFINITION

"**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.

"**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:

(i) (a) if there is an 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 guaranty 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) or (b) if there is no issuer credit rating of the issuer by S&P but (1) 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; (2) if clause (1) 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 (3) if neither clause (1) nor clause (2) 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 if such rating is higher than "BB+", and shall be two sub-categories above such rating if such rating is "BB+" or lower;

(ii) with respect to any Collateral Obligation that is a DIP Collateral Obligation, the S&P Rating thereof shall be the credit rating assigned to such issue by S&P;

(iii) 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 pursuant to clauses (a) through (c) below:

(a) if an obligation of the issuer is not a DIP Collateral Obligation and is publicly rated by Moody's, then the S&P Rating will be determined in accordance with the methodologies for establishing the Moody's Rating set forth above except that the S&P Rating of such obligation will be (1) one sub-category below the S&P equivalent of the Moody's Rating if such Moody's Rating is "Baa3" or higher and (2) two sub-categories below the S&P equivalent of the Moody's Rating if such Moody's Rating is "Ba1" or lower;

(b) 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 30 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 30-day period, then, pending receipt from S&P of such estimate, such Collateral Obligation shall have an S&P Rating as determined by the Collateral Manager in its sole discretion if 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 will be at least equal to such rating; *provided* further that if such Information is not submitted within such 30-day period, then, pending receipt from S&P of such estimate, the Collateral Obligation shall have (1) the S&P Rating as determined by the Collateral Manager for a period of up to 90 days after the acquisition of such Collateral Obligation and (2) an S&P Rating of "CCC-" following such 90-day period; unless, during such 90-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 such 90-day period (or other extended period) elapses pending S&P's

decision with respect to such application, the S&P Rating of such Collateral Obligation shall be "CCC-"; *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 the S&P Rating may not be determined pursuant to this clause (b) if the Collateral Obligation is a DIP Collateral Obligation; *provided* further that such credit estimate shall expire 12 months after the acquisition of such Collateral Obligation, following which such Collateral Obligation shall have an S&P Rating of "CCC-" unless, during such 12-month period, the Issuer applies for renewal thereof in accordance with the Indenture, 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 12-month anniversary of the date of the acquisition of such Collateral Obligation and (when renewed annually in accordance with the Indenture) on each 12-month anniversary thereafter; *provided further* that the Collateral Manager shall notify S&P of any material event with respect to any such Collateral Obligation if the Collateral Manager determines that such event is a material event as described in S&P's published criteria for credit estimates titled "What Are Credit Estimates And How Do They Differ From Ratings?" dated April 2011 (as the same may be amended or updated from time to time);

(c) with respect to a Collateral Obligation that is not a Defaulted Obligation, the S&P Rating of such Collateral Obligation will at the election of the Issuer (at the direction of the Collateral Manager) be "CCC-" *provided* (i) neither the issuer of such Collateral Obligation nor any of its Affiliates are subject to any bankruptcy or reorganization proceedings and (ii) the issuer has not defaulted on any payment obligation in respect of any debt security or other obligation of the issuer at any time within the two year period ending on such date of determination, all such debt securities and other obligations of the issuer that are *pari passu* with or senior to the Collateral Obligation are current and the Collateral Manager reasonably expects them to remain current; *provided* that the Collateral Manager shall submit to S&P all Information available to the Collateral Manager in respect of any Collateral Obligation with an S&P Rating determined pursuant to this clause (c); or

(iv) with respect to a DIP Collateral Obligation that has no issue rating by S&P or a Current Pay Obligation that is rated "D" or "SD" by S&P, the S&P Rating of such DIP Collateral Obligation or Current Pay Obligation, as applicable, will be, at the election of the Issuer (at the direction of the Collateral Manager), "CCC-" or the S&P Rating determined pursuant to clause (iii)(b) above;

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 and (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.

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TRUSTEE, SUBORDINATED NOTE ISSUING AND PAYING AGENT AND PAYING AGENT

For purposes of Note transfer
and presentment of the Notes for final payment:

U.S. Bank Global Corporate Trust Services, as Trustee
111 Fillmore East
St. Paul, MN 55107
Attention: Bondholder Services EP-MN-WS2N

For all other purposes:

U.S. Bank National Association, as Trustee
One Federal Street, 3rd Floor
Boston, MA 02110

COLLATERAL ADMINISTRATOR
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