Oak Hill European Credit Partners V Designated Activity Company

(a designated activity company limited by shares incorporated under the laws of Ireland under registered number 585889)

Notes	Initial Principal Amount	Issue Price[1]	Initial Stated Interest Rate[2]	Alternative Stated Interest Rate[3]	Final Maturity Date	Moody's[4] Rating[5]	Fitch[6] Rating[7]
A-1	€260,800,000	100.00%	3 month EURIBOR + 0.96%	6 month EURIBOR + 0.96%	21 February 2030	Aaa(sf)	AAAsf
A-2	€10,600,000	100.00%	1.10%	1.10%	21 February 2030	Aaa(sf)	AAAsf
B-1	€47,600,000	100.00%	3 month EURIBOR + 1.55%	6 month EURIBOR + 1.55%	21 February 2030	Aa2(sf)	AAsf
B-2	€12,200,000	100.00%	1.78%	1.78%	21 February 2030	Aa2(sf)	AAsf
C	€25,900,000	100.00%	3 month EURIBOR + 2.35%	6 month EURIBOR + 2.35%	21 February 2030	A2(sf)	Asf
D	€23,700,000	100.00%	3 month EURIBOR + 3.60%	6 month EURIBOR + 3.60%	21 February 2030	Baa2(sf)	BBBsf
E	€30,400,000	94.10%	3 month EURIBOR + 6.20%	6 month EURIBOR + 6.20%	21 February 2030	Ba2(sf)	BBsf
F	€12,900,000	84.95%	3 month EURIBOR + 7.30%	6 month EURIBOR + 7.30%	21 February 2030	B1(sf)	B-sf
Subordinated	€55,100,000	92.50%	Excess	Excess	21 February 2030	Not rated	Not rated

1. The Placement Agent may offer the Notes at other prices as may be negotiated at the time of sale.
2. Applicable at all times prior to the occurrence of a Frequency Switch Event, *provided that* the rate of interest of the Floating Rate Notes will be determined for the period from the Issue Date to, but excluding, the first Payment Date by reference to a straight line interpolation of 6 month EURIBOR and 9 month EURIBOR.
3. Applicable at all times following the occurrence of a Frequency Switch Event (and in respect of the Accrual Period during which any Frequency Switch Event occurs), *provided that* the rate of interest of the Floating Rate Notes of each Class for the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date will, if such first mentioned Payment Date falls in November 2029, be determined by reference to three month EURIBOR.
4. Moody's Investors Service Ltd ("**Moody's**") is established in the EU and is registered under Regulation (EC) No 1060/2009.
5. The ratings assigned to the Class A Notes and the Class B Notes address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes address the ultimate payment of principal and interest. A security rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by Moody's.
6. Fitch Ratings Limited ("**Fitch**") is established in the EU and is registered under Regulation (EC) No 1060/2009.
7. The ratings assigned to the Class A Notes and the Class B Notes address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes address the ultimate payment of principal and interest. A security rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by Fitch.

The assets securing the Notes will consist of a portfolio of Senior Secured Loans, Senior Secured Bonds, Second Lien Loans, Mezzanine Obligations and High Yield Bonds managed by Oak Hill Advisors (Europe), LLP (the "**Collateral Manager**").

Oak Hill European Credit Partners V Designated Activity Company (the "**Issuer**") will issue the Rated Notes and the Subordinated Notes (each as defined herein).

The Class A-1 Notes, the Class A-2 Notes (together with the Class A-1 Notes, the "**Class A Notes**"), the Class B-1 Notes, the Class B-2 Notes (together, the "**Class B Notes**" and the Class B-2 Notes together with the Class A-2 Notes, the "**Fixed Rate Notes**"), the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (such Classes of Notes, the "**Rated Notes**" and the Class A-1 Notes, the Class B-1 Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, the "**Floating Rate Notes**") together with the Subordinated Notes are collectively referred to herein as the "**Notes**". The Notes will be issued and secured pursuant to a trust deed (the "**Trust**

Deed") dated on or about 25 January 2017 (the "**Issue Date**"), made between (amongst others) the Issuer and BNY Mellon Corporate Trustee Services Limited, in its capacity as trustee (the "**Trustee**").

Interest on the Notes will be payable (i) quarterly in arrear on 21 February, 21 May, 21 August and 21 November in each year at any time prior to the occurrence of a Frequency Switch Event (as defined herein); and (ii) semi-annually in arrear following the occurrence of a Frequency Switch Event on (A) 21 February and 21 August (where the Payment Date immediately prior to the occurrence of the relevant Frequency Switch Event falls in February or August, or (B) 21 May and 21 November (where the Payment Date immediately prior to the occurrence of the relevant Frequency Switch Event falls in May or November), commencing on 21 August 2017 and ending on the Maturity Date (as defined herein) (subject to any earlier redemption of the Notes and in each case subject to adjustment for non-Business Days in accordance with the Conditions and in accordance with the Priority of Payments).

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

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

This Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC and/or which are to be offered to the public in any Member State of the European Economic Area. This Prospectus constitutes a "Prospectus" for the purposes of the Prospectus Directive. Application has been made to the Irish Stock Exchange plc (the "**Irish Stock Exchange**") for the Notes to be admitted to the Official List and trading on its regulated market. It is anticipated that listing will take place on or about the Issue Date. There can be no assurance that any such listing will be granted or, if granted, that such listing will be maintained.

This Prospectus has been approved by the Central Bank as required by the Prospectus Directive 2003/71/EC Regulations 2005 (as amended, the "**Prospectus Regulations**"). This Prospectus approved by the Central Bank will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus Regulations.

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

The Notes have not been registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and will be offered only: (a) outside the United States to persons who are not U.S. Persons (as defined in Regulation S under the Securities Act ("**Regulation S**") ("**U.S. Persons**")); and (b) within the United States to persons and outside the United States to U.S. Persons, in each case, who are both qualified institutional buyers (as defined in Rule 144A ("**Rule 144A**") under the Securities Act) in reliance on Rule 144A and qualified purchasers for the purposes of Section 3(c)(7) of the United States Investment Company Act of 1940, as amended (the "**Investment Company Act**"). Neither the Issuer nor the Collateral Manager will be registered under the Investment Company Act. Interests in the Notes will be subject to certain restrictions on transfer, and each purchaser of

Notes offered hereby in making its purchase will be deemed to have made certain acknowledgements, representations and agreements. See "*Plan of Distribution*" and "*Transfer Restrictions*".

The Notes are being offered by the Issuer through Goldman Sachs International in its capacity as placement agent of the offering of such Notes (the "**Placement Agent**") subject to prior sale, when, as and if delivered to and accepted by the Placement Agent, and to certain conditions. It is expected that delivery of the Notes will be made on or about the Issue Date. It is a condition of the Notes that all of the Notes are issued concurrently.

The date of this Prospectus is 24 January 2017.

Arranger and Placement Agent

Goldman Sachs International

The Issuer accepts responsibility for the information contained in this Prospectus and to the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Collateral Manager accepts responsibility for the information contained in the sections of this Prospectus headed "Risk Factors – Relating to the Collateral - Collateral Manager", "Risk Factors – Certain Conflicts of Interest – Collateral Manager" and "The Collateral Manager". To the best of the knowledge and belief of the Collateral Manager (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information as of the date hereof. The Bank of New York Mellon SA/NV, Dublin Branch accepts responsibility for the information contained in the section of this Prospectus headed "The Collateral Administrator". To the best of the knowledge and belief of The Bank of New York Mellon SA/NV, Dublin Branch (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Retention Holder accepts responsibility for the information contained in the sections of this Prospectus headed "Risk Factors – U.S. Risk Retention Requirements" (only in respect of the third paragraph therein), "The Retention Holder and EU Retention Requirements – Description of the Retention Holder", "The Retention Holder and EU Retention Requirements – Origination of Collateral Debt Obligations", "The Retention Holder and EU Retention Requirements – The Retention – Background" (only in respect of the first sentence of the fourth paragraph and the sixth paragraph therein) and "The U.S. Credit Risk Retention". To the best of the knowledge and belief of the Retention Holder (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Except for the sections of this Prospectus headed "Risk Factors – Relating to the Collateral – Collateral Manager", "Risk Factors – Certain Conflicts of Interest – Collateral Manager", and "The Collateral Manager", in the case of the Collateral Manager, "The Collateral Administrator", in the case of the Collateral Administrator, "Risk Factors – U.S. Risk Retention Requirements" (only in respect of the third paragraph therein), "The Retention Holder and EU Retention Requirements – Description of the Retention Holder", "The Retention Holder and EU Retention Requirements – Origination of Collateral Debt Obligations", "The Retention Holder and EU Retention Requirements – The Retention – Background" (only in respect of the first sentence of the fourth paragraph and the sixth paragraph therein) and "The U.S. Credit Risk Retention", in the case of the Retention Holder, none of the Collateral Manager, the Collateral Administrator, or the Retention Holder accept any responsibility for the accuracy and completeness of any information contained in this Prospectus. The delivery of this Prospectus at any time does not imply that the information herein is correct at any time subsequent to the date of this Prospectus.

*None of the Placement Agent, Goldman Sachs International in its capacity as arranger (the "**Arranger**"), the Trustee, the Collateral Manager (save in respect of the sections headed "Risk Factors – Relating to the Collateral - Collateral Manager", "Risk Factors – Certain Conflicts of Interest – Collateral Manager", and "The Collateral Manager") the Collateral Administrator (save in respect of the section headed "The Collateral Administrator"), the Retention Holder (save in respect of the sections headed "Risk Factors – U.S. Risk Retention Requirements" (only in respect of the third paragraph therein), "The Retention Holder and EU Retention Requirements – Description of the Retention Holder", "The Retention Holder and EU Retention Requirements – Origination of Collateral Debt Obligations", "The Retention Holder and EU Retention Requirements – The Retention – Background" (only in respect of the first sentence of the fourth paragraph and the sixth paragraph therein) and "The U.S. Credit Risk Retention"), any Agent, any Hedge Counterparty or any other party has separately verified the information contained in this Prospectus and, accordingly, none of the Placement Agent, the Arranger, the Trustee, the Collateral Manager (save as specified above), the Collateral Administrator (save as specified above), the Retention Holder (save as specified above), any Agent, any Hedge Counterparty or any other party (save for the Issuer as specified above) makes any representation, recommendation or warranty, express or implied,*

regarding the accuracy, adequacy, reasonableness or completeness of the information contained in this Prospectus or in any further notice or other document which may at any time be supplied in connection with the Notes or their distribution or accepts any responsibility or liability therefor. None of the Placement Agent, the Arranger, the Trustee, the Collateral Manager, the Collateral Administrator, the Retention Holder, any Agent, any Hedge Counterparty or any other party undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the aforementioned parties which is not included in this Prospectus. None of the Placement Agent, the Arranger, the Trustee, the Collateral Manager (save as specified above), the Collateral Administrator (save as specified above), the Retention Holder (save as specified above), any Agent, any Hedge Counterparty or any other party (save for the Issuer as specified above) accepts any responsibility for the accuracy or completeness of any information contained in this Prospectus.

*This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Placement Agent or the Arranger or any of their Affiliates, the Collateral Manager, the Collateral Administrator, the Retention Holder or any other person to subscribe for or purchase any of the Notes. The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Placement Agent to inform themselves about and to observe any such restrictions. In particular, the communication constituted by this Prospectus is directed only at persons who (i) are outside the United Kingdom and are offered and accept this Prospectus in compliance with such restrictions or (ii) are persons falling within Article 49(2)(a) to (d) (High net worth companies, unincorporated associations etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or who otherwise fall within an exemption set out in such Order so that Section 21(1) of the Financial Services and Markets Act 2000, as amended (including the Financial Services Act 2012) does not apply to the Issuer (all such persons together being referred to as "**relevant persons**"). This communication must not be distributed to, acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. For a description of certain further restrictions on offers and sales of Notes and distribution of this Prospectus, see "Plan of Distribution" and "Transfer Restrictions" below.*

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

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

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

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

In connection with the issue of the Notes, no stabilisation will take place and Goldman Sachs International will not be acting as stabilising manager in respect of the Notes.

EU Retention Requirements

Investors are directed to the further descriptions of the EU Retention Requirements in "*The Retention Holder and EU Retention Requirements*" below.

Each prospective investor in the Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction (including the Reports) are sufficient to comply with the EU Retention Requirements and/or any other applicable legal regulatory or other requirements. Notwithstanding anything in this Prospectus to the contrary, none of the Issuer, the Collateral Manager, the Arranger, the Placement Agent, the Retention Holder, any Agent, the Trustee, any of their respective Affiliates or any other person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose and no such person shall have any liability to any prospective investor or any other person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the EU Retention Requirements, the implementing provisions in respect of the EU Retention Requirements in their relevant jurisdiction, or any other applicable legal, regulatory or other requirements, other than, in the case of the Retention Holder, where such failure results from a breach of the Retention Letter (as defined in the terms and conditions of the Notes) by the Retention Holder. Each prospective investor in the Notes should consult with its own legal, accounting and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of the EU Retention Requirements or any similar requirements of which it is uncertain.

Compliance with U.S. Credit Risk Retention Requirements

The Collateral Manager has informed the Issuer that the Retention Holder will retain the Retention Notes in compliance with, and that such Retention Notes satisfy the requirements for retaining an "eligible vertical interest" under, the U.S. Risk Retention Rules. See "*U.S. Credit Risk Retention*". None of the other transaction parties provides any assurances regarding, or assumes any responsibility for, the Collateral Manager's compliance with the U.S. Risk Retention Rules prior to, on or after the Issue Date. See "*Risk Factors - U.S. Dodd Frank Act*" and "*Risk Factors – U.S. Risk Retention Requirements*".

Volcker Rule

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

An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the "covered fund", as well as through certain rights of the holder to participate in the selection or removal of an investment advisor, investment manager, or general partner, trustee, or member of the board of directors of the "covered fund". A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act but is exempt from registration solely in reliance on Section 3(c)(1) or 3(c)(7) of that Act, subject to certain exclusions found in the Volcker Rule's implementing regulations.

It should be noted that a commodity pool as defined in the U.S. Commodity Exchange Act of 1936, as amended (the "**CEA**") could, depending on which CEA exemption is used by such commodity pool, also fall within the definition of a "covered fund".

The holders of any of the Class A Notes, the Class B Notes, the Class C Notes or the Class D Notes in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes are disenfranchised in respect of any CM Removal Resolution or CM Replacement Resolution. However, there can be no assurance that these features will be effective in resulting in such investments in the Issuer by "banking entities" subject to the Volcker Rule not being characterised as an "ownership interest" in the Issuer.

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

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

Information as to placement within the United States

The Notes of each Class offered pursuant to an exemption from registration under Rule 144A ("**Rule 144A**") under the Securities Act (the "**Rule 144A Notes**") will be sold only to "qualified institutional buyers" (as defined in Rule 144A) ("**QIBs**") that are also "qualified purchasers" for purposes of Section 3(c)(7) of the Investment Company Act ("**QPs**"). The Rule 144A Notes of each Class (including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class) will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Rule 144A Global Certificate**" and together, the "**Rule 144A Global Certificates**"), or may in some cases be represented by definitive certificates of such Class (each a "**Rule 144A Definitive Certificate**" and, together the "**Rule 144A Definitive Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, in the case of the Rule 144A Global Certificates, a nominee of a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or in the case of any Rule 144A Definitive Certificates, the registered holder. The Notes of each Class (including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class) sold outside the United States to non-U.S. Persons in reliance on Regulation S ("**Regulation S**") under the Securities Act (the "**Regulation S Notes**") will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Regulation S Global Certificate**" and together, the "**Regulation S Global Certificates**"), or may in some cases be represented by definitive certificates of such Class (each a "**Regulation S Definitive Certificate**" and, together the "**Regulation S Definitive Certificates**"), in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, in the case of the Regulation S Global Certificates, a nominee of a common depositary for Euroclear and Clearstream Luxembourg or, in the case of any Regulation S Definitive Certificates, the registered holder thereof. Neither U.S. Persons nor U.S. residents (as determined for the purposes of the Investment Company Act) ("**U.S. Residents**") may hold an interest in a Regulation S Global Certificate or a Regulation S Definitive Certificate. Ownership interests in the Regulation S Global Certificates and the Rule 144A Global Certificates (together, the "**Global Certificates**") will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg and their respective participants. Notes in definitive certificated form will be issued only in limited circumstances.

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

In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes and the offering thereof described herein, including the merits and risks involved, including the possibility that any purchaser of any Note may not fully recoup its initial investment, including as a result of certain origination expenses and expenses incurred by the Issuer in connection with the offering.

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

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

BY ACCEPTING DELIVERY OF ITS NOTES, EACH PURCHASER OF NOTES WILL BE DEEMED TO HAVE ACKNOWLEDGED THAT (A) IT HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST FROM GOLDMAN SACHS INTERNATIONAL AND TO REVIEW, AND HAS RECEIVED, ALL INFORMATION CONSIDERED BY SUCH PURCHASER TO BE MATERIAL REGARDING THE INITIAL PORTFOLIO AND ALL ADDITIONAL INFORMATION CONSIDERED BY SUCH PURCHASER TO BE NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION IN THIS PROSPECTUS AND (B) IT HAS NOT RELIED ON ANY TRANSACTION PARTY OR ANY PERSON AFFILIATED WITH ANY OF THEM IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF THE INFORMATION CONTAINED IN THIS PROSPECTUS OR PROVIDED TO IT OR ITS INVESTMENT DECISION. NEITHER THE DELIVERY OF THIS PROSPECTUS, NOR ANY SALE MADE UNDER THIS PROSPECTUS SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED IN THIS PROSPECTUS IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE OF SUCH INFORMATION.

NOTWITHSTANDING ANYTHING IN THIS PROSPECTUS TO THE CONTRARY, EACH PROSPECTIVE INVESTOR (AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER

AGENT OF EACH PROSPECTIVE INVESTOR) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE U.S. FEDERAL, STATE, AND LOCAL TAX TREATMENT OF THE ISSUER, THE NOTES, OR THE TRANSACTIONS REFERENCED HEREIN AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER TAX ANALYSES) RELATING TO SUCH TAX TREATMENT AND THAT MAY BE RELEVANT TO UNDERSTANDING SUCH TAX TREATMENT.

Available Information

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

General Notice

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

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

Commodity Pool Regulation

BASED UPON INTERPRETIVE GUIDANCE PROVIDED FROM A DIVISION OF THE U.S. COMMODITY FUTURES TRADING COMMISSION (THE "**CFTC**"), THE ISSUER IS NOT EXPECTED TO BE TREATED AS A COMMODITY POOL AND AS SUCH, THE ISSUER (OR THE COLLATERAL MANAGER ON THE ISSUER'S BEHALF) MAY ENTER INTO ONE OR MORE HEDGE AGREEMENTS (OR ANY OTHER AGREEMENT THAT WOULD FALL WITHIN THE DEFINITION OF "SWAP" AS SET OUT IN THE CEA (AS DEFINED BELOW)) (I) THAT COMPLIES WITH THE HEDGE AGREEMENT ELIGIBILITY CRITERIA; OR (II) FOLLOWING RECEIPT OF LEGAL ADVICE FROM REPUTABLE LEGAL COUNSEL TO THE EFFECT THAT NONE OF THE ISSUER, ITS DIRECTORS, OFFICERS OR EMPLOYEES, OR THE COLLATERAL MANAGER OR ANY OF ITS DIRECTORS, OFFICERS OR EMPLOYEES, SHOULD BE REQUIRED TO REGISTER WITH THE CFTC AS A "COMMODITY POOL OPERATOR" OR A "COMMODITY TRADING ADVISOR" (AS SUCH TERMS ARE DEFINED IN THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "**CEA**") AND THE CFTC REGULATION) IN RESPECT OF THE ISSUER. IN THE EVENT THAT TRADING

OR ENTERING INTO ONE OR MORE HEDGE AGREEMENTS WOULD RESULT IN THE ISSUER'S ACTIVITIES FALLING WITHIN THE DEFINITION OF A "COMMODITY POOL" AS DEFINED IN THE CEA, THE COLLATERAL MANAGER WOULD EITHER SEEK TO UTILIZE ANY AVAILABLE EXEMPTIONS FROM REGISTRATION AS A COMMODITY POOL OPERATOR (A "**CPO**") OR A COMMODITY TRADING ADVISOR (A "**CTA**") OR REGISTER AS A CPO OR A CTA. UTILIZING ANY SUCH EXEMPTION FROM REGISTRATION MAY IMPOSE ADDITIONAL COSTS ON THE COLLATERAL MANAGER, AND MAY SIGNIFICANTLY LIMIT ITS ABILITY TO ENGAGE IN HEDGING ACTIVITIES ON BEHALF OF THE ISSUER. IF THE COLLATERAL MANAGER IS REQUIRED TO REGISTER AS A CPO OR A CTA, IT WILL BECOME SUBJECT TO NUMEROUS REPORTING AND OTHER REQUIREMENTS AND IT IS EXPECTED THAT IT WILL INCUR SIGNIFICANT ADDITIONAL COSTS IN COMPLYING WITH ITS OBLIGATIONS AS A REGISTERED CPO OR CTA, WHICH COSTS ARE EXPECTED TO BE PASSED ON TO THE ISSUER AND MAY ADVERSELY AFFECT THE ISSUER'S ABILITY TO MAKE PAYMENT ON THE NOTES.

PRIIPs Regulation

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

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TRANSACTION OVERVIEW

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

Issuer	Oak Hill European Credit Partners V Designated Activity Company
Collateral Manager	Oak Hill Advisors (Europe), LLP
Trustee	BNY Mellon Corporate Trustee Services Limited
Placement Agent	Goldman Sachs International
Arranger	Goldman Sachs International
Collateral Administrator	The Bank of New York Mellon SA/NV
Eligible Purchasers	The Notes of each Class will be offered: (a) outside of the United States to non-U.S. Persons in "offshore transactions" in reliance on Regulation S; and (b) within the United States to persons and outside the United States to U.S. Persons, in each case, who are QIB/QPs.
Distributions on the Notes	
Payment Dates	Interest on the Notes will be payable: (a) prior to the occurrence of a Frequency Switch Event, on 21 February, 21 May, 21 August and 21 November; and (b) following the occurrence of a Frequency Switch Event, on (A) 21 February and 21 August (where the Payment Date immediately prior to the occurrence of the relevant Frequency Switch Event falls in either February or August), or (B) 21 May and 21 November (where the Payment Date immediately prior to the occurrence of the relevant Frequency Switch Event falls in either May or November), commencing on 21 August 2017 and ending on the Maturity Date (subject to any earlier redemption of the Notes and to adjustment for non-Business Days in accordance with the Conditions). The Issuer and the Collateral Manager may (and shall if so directed by an Ordinary Resolution of the Subordinated Noteholders) designate a date other than a scheduled Payment

	Date as a Payment Date provided that, *inter alia*, it falls on a Business Day falling on or after the redemption in full of all Classes of Rated Notes (see Condition 3(l) (*Unscheduled Payment Dates*)).
Stated Note Interest	Interest in respect of the Notes of each Class will be payable quarterly in arrear in respect of each three month Accrual Period and semi-annually in arrear in respect of each six month Accrual Period, in each case on each Payment Date (with the first Payment Date occurring on 21 August 2017) in accordance with the Interest Proceeds Priority of Payments. Interest shall be payable on the Subordinated Notes on each Payment Date to the extent funds are available in accordance with the Priorities of Payments.
Frequency Switch Event	The occurrence on any Frequency Switch Measurement Date of either: (a) (i) the Aggregate Principal Balance of all Collateral Debt Obligations that have become Semi-Annual Obligations in the previous Due Period as a result of the change in frequency of interest payments on such Collateral Debt Obligations (or where such Due Period is the first Due Period, in the last three months of such Due Period), being greater than or equal to 20 per cent. of the Aggregate Collateral Balance; and (ii) the Class A/B Interest Coverage Ratio being less than 101 per cent. (and *provided that* for such purpose, paragraph (b) of the definition of Interest Coverage Amount shall be deemed to be equal to zero); or (b) the Collateral Manager declaring in its sole discretion that a Frequency Switch Event shall have occurred.
Note Event of Default in respect of the Rated Notes; Deferral of Interest	Failure on the part of the Issuer to pay the Interest Amounts due and payable on any Class of Notes pursuant to Condition 6 (*Interest*) and the Priorities of Payments shall not be a Note Event of Default unless and until: (a) such failure is in respect of any non-payment of interest due and payable on the Class A Notes and/or the Class B Notes; or (b) following the occurrence of a Frequency Switch Event, such failure is in respect of any non-payment of interest due and payable on (i) the Class C Notes, if such Class of Notes is the Controlling Class; (ii) the Class D Notes, if such Class of Notes is the Controlling Class; (iii) the Class E Notes, if such Class of Notes is the Controlling Class; and (iv) the Class F Notes, if such Class of Notes is the Controlling Class,

and in each case such failure continues for a period of at least five Business Days save in the case of administrative error or omission only, where such failure continues for a period of at least seven Business Days after the Issuer, Collateral Administrator and/or Principal Paying Agent receive written notice or have actual knowledge thereof,

provided that no Note Event of Default shall occur in respect of the above as the result of:

(i) the failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions or, in the case of an Optional Redemption, with respect to which a Refinancing fails; and/or

(ii) any deduction from such Interest Amounts or the imposition of any withholding tax thereon as set out in Condition 9 (*Taxation*).

To the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes are not made on the relevant Payment Date in such circumstances, unless the relevant Class of Notes is the Controlling Class and a Frequency Switch Event has occurred, an amount equal to such unpaid interest will be added to the principal amount of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, and thereafter will accrue interest on such unpaid amount at the rate of interest applicable to such Notes. See Condition 6(c) (*Deferral of Interest*).

Note Event of Default in respect of the Subordinated Notes	Non-payment of amounts due and payable on the Subordinated Notes as a result of the insufficiency of available Interest Proceeds or Principal Proceeds will not constitute a Note Event of Default.
Redemption of the Notes	Principal payments on the Notes may be made in the following circumstances: (a) on the Maturity Date (see Condition 7(a) (*Final Redemption*)); (b) on any Payment Date following a Determination Date on which a Coverage Test is not satisfied (to the extent such test is required to be satisfied on such Determination Date) (see Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*)). (c) if, as at the Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, either (x) the Issuer, at the direction of the Collateral Manager, shall purchase additional Collateral Debt Obligations or transfer amounts into the Principal Account pending reinvestment in Collateral Debt Obligations at a later

date in each case subject to and in accordance with the Priorities of Payments until an Effective Date Rating Event is no longer continuing or (y) the Rated Notes shall be redeemed in accordance with the Note Payment Sequence on such Payment Date and thereafter on each subsequent Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payments, in each case until redeemed in full or, if earlier, until such Effective Date Rating Event is no longer continuing (see Condition 7(e) (*Redemption upon Effective Date Rating Event)*);

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

(e) in respect of Rated Notes only, (i) on any Payment Date during the Reinvestment Period if the Interest Diversion Test is not satisfied and the Collateral Manager determines that it is unable to identify such additional Collateral Debt Obligations that it considers appropriate for reinvestment, (ii) at the sole and absolute discretion of the Collateral Manager (acting on behalf of the Issuer), if at any time during the Reinvestment Period the Collateral Manager certifies to the Trustee (upon which certificate the Trustee shall be entitled to rely without further enquiry and without liability) that, using reasonable endeavours, it has been unable, for a period of 20 consecutive Business Days, to identify a sufficient quantity of additional or Substitute Collateral Debt Obligations in which to invest or reinvest Principal Proceeds or Interest Proceeds and (iii) on any Payment Date following the Reinvestment Period if the Interest Diversion Test is not satisfied (see Condition 7(d) (*Special Redemption*);

(f) in whole (with respect to all Classes of Rated Notes) but not in part on a Payment Date (or, with the Collateral Manager's consent, any Business Day) falling on or after the expiry of the Non-Call Period or upon the occurrence of a Collateral Tax Event, in each case, from Sale Proceeds or Refinancing Proceeds (or any combination thereof) if directed in writing by the Subordinated Noteholders (acting by way of an Ordinary Resolution) or at the written direction of the Collateral Manager (with the consent of the Subordinated Noteholders, acting independently, by Ordinary Resolution) (see Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Collateral Manager*);

(g) in part by the redemption in whole of one or more Classes of Rated Notes from Refinancing Proceeds on

any Payment Date (or, with the Collateral Manager's consent, any Business Day) falling on or after the expiry of the Non-Call Period if directed by the Subordinated Noteholders (acting by way of an Ordinary Resolution) or at the written direction of the Collateral Manager (provided the Subordinated Noteholders have not, acting independently by Ordinary Resolution, objected to such redemption within 10 Business Days of notice of such redemption being given to Noteholders in accordance with Condition 16 (*Notices*)), as long as the Class of Rated Notes to be redeemed represents not less than the entire Class of such Rated Notes (see Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Collateral Manager*));

(h) in whole (with respect to all Classes of Rated Notes) but not in part from Sale Proceeds on any Business Day following the expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period the Aggregate Collateral Balance is less than 20 per cent. of the Target Par Amount and if directed in writing by the Collateral Manager (see Condition 7(b)(iii) (*Optional Redemption in Whole - Collateral Manager Clean-up Call*);

(i) the Subordinated Notes may be redeemed in whole at the direction of the Subordinated Noteholders acting by way of Extraordinary Resolution or at the direction of the Collateral Manager at any time following the redemption in full of all Classes of Rated Notes (see Condition 7(b)(x) *(Optional Redemption of Subordinated Notes*);

(j) on any Payment Date in whole (with respect to all Classes of Rated Notes) at the option of the Controlling Class or the Subordinated Noteholders in each case acting by way of Extraordinary Resolution, following the occurrence of a Note Tax Event, subject to (i) the Issuer having failed to avoid the Note Tax Event and (ii) certain minimum time periods. See Condition 7(g) (*Redemption following Note Tax Event*); and

(k) at any time following a Note Event of Default which has occurred and is continuing and has not been cured and an Acceleration Notice has been delivered which has not been rescinded or annulled (see Condition 10(a) (*Note Events of Default*)).

In connection with a Refinancing pursuant to Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Collateral Manager*), if directed in writing by the Subordinated Noteholders (acting by Ordinary Resolution) and consented to by the Collateral Manager, the Collateral Manager may designate Principal Proceeds as Interest Proceeds in an amount not to exceed the Excess Par Amount (see Condition 7(b)(v) (*Optional*

	Redemption effected in whole or in part through Refinancing)).
Non-Call Period	During the period from the Issue Date up to, but excluding, the Payment Date falling in February 2019 (the "**Non-Call Period**"), the Notes are not subject to Optional Redemption (save for upon a Collateral Tax Event or a Note Tax Event). See Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption following Note Tax Event*).
Redemption Prices	The Redemption Price of each Class of Rated Notes will be (a) 100 per cent. of the Principal Amount Outstanding of the Notes to be redeemed (including, in the case of the Class C Notes, the Class D Notes, the Class E Notes and Class F Notes, any accrued and unpaid Deferred Interest on such Notes) plus (b) accrued and unpaid interest thereon to the day of redemption. The Redemption Price for each Subordinated Note will be its *pro rata* share (calculated in accordance with paragraph (BB) of the Interest Proceeds Priority of Payments, paragraph (S) of the Principal Proceeds Priority of Payments and/or paragraph (Z) of the Post-Acceleration Priority of Payments as applicable) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application thereof in accordance with the Priorities of Payments. The holders of any Class may agree to decrease the Redemption Price for such Class for any Optional Redemption by way of Unanimous Resolution.
Priorities of Payments	Prior to an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) or, following an acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*) by way of the delivery of an Acceleration Notice (actual or deemed), which Acceleration Notice has been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), and other than in connection with an Optional Redemption in whole pursuant to Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*), Interest Proceeds will be applied in accordance with the Interest Proceeds Priority of Payments, and Principal Proceeds will be applied in accordance with the Principal Proceeds Priority of Payments. Upon any redemption in whole of the Notes in accordance with Condition 7(b) (*Optional Redemption*) or in accordance with Condition 7(g) (*Redemption following Note Tax Event*) or, following the delivery of an Acceleration Notice (actual or deemed) in accordance with Condition 10(b) (*Acceleration*) which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), Interest Proceeds and Principal Proceeds and proceeds of the enforcement of the security over the Collateral (save as otherwise provided) will be applied in accordance with the Post-Acceleration Priority of Payments, in each case as described in the Conditions.
Collateral Management Fees	

Senior Collateral Management Fee	0.20 per cent. per annum of the Fee Basis Amount. See "*Description of the Collateral Management Agreement*".
Subordinated Collateral Management Fee	0.30 per cent. per annum of the Fee Basis Amount. See "*Description of the Collateral Management Agreement*".
Incentive Collateral Management Fee	After having met or surpassed the Incentive Collateral Management Fee IRR Threshold of 12 per cent., 20 per cent. of any Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the Priorities of Payments. See "*Description of the Collateral Management Agreement*".
Collateral Manager Advances	The Collateral Manager may, at its discretion and from time to time advance an amount (each such amount, a "**Collateral Manager Advance**") to the Issuer for the purpose of: (a) funding the purchase or exercise of rights under Collateral Enhancement Debt Obligations if there are insufficient funds available in the Collateral Enhancement Account which the Collateral Manager determines on behalf of the Issuer should be purchased or exercised; or (b) as a contribution to Interest Proceeds or Principal Proceeds, to be applied in accordance with the applicable Priorities of Payments. No Collateral Manager Advance may be for an amount less than €500,000 and no more than 5 Collateral Manager Advances shall be permitted. Each Collateral Manager Advance shall bear interest in accordance with the Collateral Management Agreement at a rate equal to EURIBOR plus 2.0 per cent. per annum or such other lower rate as may be agreed among the Collateral Manager and the Issuer from time to time. All such Collateral Manager Advances shall be repaid out of Interest Proceeds and Principal Proceeds on each Payment Date pursuant to the Priorities of Payments or, at the discretion of the Collateral Manager, out of amounts standing to the credit of the Collateral Enhancement Account.
Security for the Notes	
General	The Notes will be secured in favour of the Trustee for the benefit of the Secured Parties by security over a portfolio of Collateral Debt Obligations predominantly consisting of Senior Secured Loans, Senior Secured Bonds, Second Lien Loans, Mezzanine Obligations and High Yield Bonds. The Notes will also be secured by an assignment by way of security of various of the Issuer's other rights, including its rights under certain of the agreements described herein. See Condition 4(a) (*Security*).
Hedging Arrangements	The Issuer will not be permitted to enter into a Hedge Agreement to hedge interest rate risk and/or currency risk unless either (i) such Hedge Agreement complies with the Hedge Agreement Eligibility Criteria, or (ii) the Issuer obtains legal advice from

	reputable legal counsel to the effect that the entry into such arrangements shall not require any of the Issuer, the Collateral Manager or their respective directors, officers or employees to register with the United States Commodities Futures Trading Commission (the "**CFTC**") as a commodity pool operator or a commodity trading advisor pursuant to the United States Commodity Exchange Act of 1936, as amended (a "**Commodity Pool**"). Notwithstanding the above, if, in the reasonable opinion of the Collateral Manager, entry into a Hedge Agreement would require registration of the Collateral Manager as a Commodity Pool operator with respect to, and at the expense of, the Issuer, the Issuer will not be permitted to enter into such Hedge Agreement unless such registration is made by the Collateral Manager. The Issuer will also be obliged to obtain Rating Agency Confirmation prior to entering into any hedging arrangements after the Issue Date unless it is in a form in respect of which the Issuer (or the Collateral Manager acting on behalf of the Issuer) has previously received written approval from each Rating Agency. See "*Hedging Arrangements*".
Purchase of Collateral Debt Obligations	
Initial Investment Period	Prior to the Issue Date, the Issuer expects to have acquired or entered into a binding commitment to acquire Collateral Debt Obligations with an Aggregate Principal Balance equal to approximately 56 per cent. of the Target Par Amount. During the period from and including the Issue Date to but excluding the earlier of: (a) the date designated for such purpose by the Collateral Manager, subject to the Effective Date Determination Requirements having been satisfied; and (b) 25 July 2017 (or, if such day is not a Business Day, the next following Business Day), (such earlier date, the "**Effective Date**" and, such period, the "**Initial Investment Period**"), the Issuer, or the Collateral Manager on its behalf, intends to purchase the remainder of the Portfolio of Collateral Debt Obligations, subject to the Eligibility Criteria and certain other restrictions.
Reinvestment in Collateral Debt Obligations	Subject to and in accordance with the Collateral Management Agreement, the Collateral Manager shall, on behalf of the Issuer, use reasonable endeavours to use Principal Proceeds available from time to time to purchase Substitute Collateral Debt Obligations meeting the Eligibility Criteria and the Reinvestment Criteria during the Reinvestment Period. Following expiry of the Reinvestment Period, only Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations and Unscheduled Principal Proceeds received after the Reinvestment Period may be reinvested by the Issuer or the Collateral Manager, on behalf of the Issuer, in Substitute Collateral Debt Obligations meeting the Eligibility

	Criteria and Reinvestment Criteria. See "*The Portfolio - Sale of Collateral Debt Obligations*" and "*The Portfolio - Reinvestment of Collateral Debt Obligations*".
Eligibility Criteria	In order to qualify as a Collateral Debt Obligation, an obligation must satisfy the Eligibility Criteria. Each obligation shall only be required to satisfy the Eligibility Criteria at the time the Issuer (or the Collateral Manager, acting on behalf of the Issuer) enters into a binding commitment to purchase such obligation save for an Issue Date Collateral Debt Obligation which must satisfy the Eligibility Criteria on the Issue Date. See "*The Portfolio - Sale of Collateral Debt Obligations*".
Restructured Obligations	In order for a Collateral Debt Obligation which is the subject of a restructuring to qualify as a Restructured Obligation, such obligation must satisfy the Restructured Obligation Criteria as at the applicable Restructuring Date. See "*The Portfolio - Reinvestment of Collateral Debt Obligations*"
Collateral Quality Tests	The Collateral Quality Tests will comprise the following: For so long as any Notes rated by Moody's are Outstanding: (a) the Moody's Minimum Diversity Test; (b) the Moody's Minimum Weighted Average Recovery Rate Test; and (c) the Moody's Maximum Weighted Average Rating Factor Test; For so long as any Notes rated by Fitch are Outstanding: (a) the Fitch Maximum Weighted Average Rating Factor Test; and (b) the Fitch Minimum Weighted Average Recovery Rate Test; For so long as any Rated Notes are Outstanding: (a) the Weighted Average Life Test; (b) the Minimum Weighted Average Spread Test; and (c) the Minimum Weighted Average Coupon Test. Each of the Collateral Quality Tests are defined in the Collateral Management Agreement and described in "*The Portfolio*" below.
Portfolio Profile Tests	In summary, the Portfolio Profile Tests will consist of each of the following (the percentage requirements applicable to different types of Collateral Debt Obligations specified in the Portfolio Profile Tests and summarily displayed in the table below shall be determined by reference to the Aggregate Collateral Balance):

		Minimum	Maximum
(a)	Senior Secured Loans and Senior Secured Bonds	90.00%	N/A
(b)	Senior Secured Bonds and High Yield Bonds	N/A	30.00%
(c)	Second Lien Loans, Senior Unsecured Obligations, High Yield Bonds, Mezzanine Obligations	N/A	10.00%
(d)	Fixed Rate Collateral Debt Obligations	N/A	12.50%
(e)	Asset Swap Obligations	N/A	25.00%
(f)	Unhedged Collateral Debt Obligations	N/A	2.50%
(g)	Swapped Non-Discount Obligations	N/A	7.50%
(h)	Domicile of Obligors 1	N/A	10.00% Domiciled in countries or jurisdictions with a Fitch country ceiling below "AAA" unless Rating Agency Confirmation from Fitch is obtained.
(i)	Domicile of Obligors 2	N/A	10.00% Domiciled in countries or jurisdictions with a Moody's local currency country risk ceiling between "A1" and "A3" unless Rating Agency Confirmation from Moody's is obtained.
(j)	Current Pay Obligations	N/A	5.00%
(k)	Unfunded Amounts/Funded Amounts under Revolving Obligations/Delayed Drawdown Collateral	N/A	5.00%

	Debt Obligations		
(l)	Corporate Rescue Loans	N/A	5.00%, provided that not more than 2.00% shall consist of Corporate Rescue Loans from a single Obligor.
(m)	PIK Obligations	N/A	5.00%
(n)	Annual Obligations	N/A	5.00% unless Rating Agency Confirmation has been obtained
(o)	Moody's Caa Obligation	N/A	7.50%
(p)	Fitch CCC Obligation	N/A	7.50%
(q)	Moody's Rating derived from S&P Rating	N/A	10.00%
(r)	Senior Secured Loans and Senior Secured Bonds to a single Obligor	N/A	2.50% provided that up to 5 Obligors may represent up to 3.00% each.
(s)	Senior Unsecured Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds to a single Obligor	N/A	1.50% provided that up to 3 Obligors may represent up to 2.00% each.
(t)	Collateral Debt Obligations to a single Obligor	N/A	3.00%
(u)	Maximum Fitch industry category in any single Fitch industry		10.0% provided that (i) the Aggregate Principal Balance of Collateral Debt Obligations whose Obligors belong to the Fitch industry category containing the most Collateral Debt Obligations (by Aggregate Principal Balance) may be less than or equal to 17.5% of the

			Aggregate Principal Balance; (ii) the Aggregate Principal Balance of Collateral Debt Obligations whose Obligors belong to the Fitch industry category containing the second most Collateral Debt Obligations (by Aggregate Principal Balance) may be less than or equal to 15.0% of the Aggregate Principal Balance; (iii) the Aggregate Principal Balance of Collateral Debt Obligations whose Obligors belong to the Fitch industry category containing the third most Collateral Debt Obligations (by Aggregate Principal Balance) may be less than or equal to 15.0% of the Aggregate Principal Balance; and (iv) the Aggregate Principal Balance of Collateral Debt Obligations whose Obligors belong to the three Fitch industry category containing the most Collateral Debt Obligations must not be greater than 40.0% of the Aggregate Principal Balance.
(v)	Participations	N/A	5.00%
(w)	Bridge Loans	N/A	2.50%
(x)	Bivariate Risk Table	N/A	See limits set out in "The Portfolio - Bivariate Risk

Table".

(y)	Cov-Lite Loans	N/A	30.00%
(z)	Medium Obligors 1	N/A	7.50%
(aa)	Medium Obligors 2	N/A	2.50%
(bb)	Senior Secured Loans	70.00%	N/A

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

Coverage Tests

The Coverage Tests will be used primarily to determine whether principal and interest may be paid on the Rated Notes and distributions may be made on the Subordinated Notes or whether funds which would otherwise be used to pay interest on the Rated Notes and to make distributions on the Subordinated Notes must instead be used to pay principal on one or more Classes of Rated Notes in accordance with the Priorities of Payments.

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

Class	Required Par Value Ratio
A/B	129.9%
C	121.8%
D	115.3%
E	107.4%

Class	Required Interest Coverage Ratio
A/B	120.0%
C	110.0%
D	105.0%
E	101.0%

Interest Diversion Test

If the Class F Par Value Ratio is less than 104.5 per cent. on the relevant Measurement Date:

(a) during the Reinvestment Period, an amount (such amount the "**Reinvestment Period Required Diversion Amount**") equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (V) of the Interest Proceeds Priority of Payments on the related Payment Date and (2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (U) (inclusive) of the Interest Proceeds Priority of Payments on the related Payment Date, would be sufficient to cause the Interest Diversion Test to be met shall be paid to the Principal Account and applied for the acquisition of additional Collateral Debt Obligations (or, if the Collateral Manager determines that it is unable to identify such additional Collateral Debt Obligations that it considers appropriate for such reinvestment, in redemption on the related Payment Date by way of Special Redemption of the Rated Notes in accordance with the Note Payment Sequence), and

(b) following the Reinvestment Period, an amount (such amount, the "**Post-Reinvestment Period Required Diversion Amount**") equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (V) of the Interest Proceeds Priority of Payments on the related Payment Date and (2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (U) (inclusive) of the Interest Proceeds Priority of Payments on the related Payment Date, would be sufficient to cause the Interest Diversion Test to be met shall be paid to the Principal Account and applied in redemption on the related Payment Date by way of Special Redemption of the Rated Notes in accordance with the Note Payment Sequence.

Authorised Denominations

The Regulation S Notes of each Class (including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such

	Class) will be issued in minimum denominations of €100,000 each and integral multiples of €1,000 in excess thereof. The Rule 144A Notes of each Class (including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class) will be issued in minimum denominations of €250,000 each and integral multiples of €1,000 in excess thereof.
Form, Registration and Transfer of the Notes	The Regulation S Notes of each Class including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class, will be represented on issue by beneficial interests in one or more Regulation S Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream Luxembourg**"). Beneficial interests in a Regulation S Global Certificate may at any time be held only through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*". Interests in any Regulation S Note may not at any time be held by any U.S. Person or U.S. Resident. The Rule 144A Notes of each Class including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class, will be represented on issue by one or more Rule 144A Global Certificates in fully registered form, without interest coupons or principal receipts deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Rule 144A Global Certificate may at any time only be held through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. The Rule 144A Global Certificates will bear a legend and such Rule 144A Global Certificates, or any interest therein, may not be transferred except in compliance with the transfer restrictions set out in such legend. See "Transfer Restrictions". No beneficial interest in a Rule 144A Global Certificate may be transferred to a person who takes delivery thereof through a Regulation S Global Certificate unless the transferor provides the Transfer Agent with a written certification substantially in the form set out in the Trust Deed regarding compliance with certain of such transfer restrictions. Any transfer of a beneficial interest in a Regulation S Global Certificate to a person who takes delivery through an interest in a Rule 144A Global Certificate is also subject to certification requirements substantially in the form set out in the Trust Deed and each purchaser thereof shall be deemed to represent that such purchaser is a QIB/QP. In addition, interests in any of the Regulation S Notes may not at any time be held by any U.S. Person or U.S. Resident. See

	"*Form of the Notes*" and "*Book Entry Clearance Procedures*".
	Except in the limited circumstances described herein, Notes in definitive, certificated, fully registered form ("**Definitive Certificates**") will not be issued in exchange for beneficial interests in either the Regulation S Global Certificates or the Rule 144A Global Certificates. See "*Form of the Notes - Exchange for Definitive Certificates*".
CM Voting Notes, CM Non-Voting Exchangeable Notes and CM Non-Voting Notes	The Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes may be in the form of a CM Voting Note, a CM Non-Voting Exchangeable Note or a CM Non-Voting Note.
	CM Voting Notes shall carry a right to vote in respect of, and be counted for the purposes of determining a quorum and the result of voting on, any CM Replacement Resolution and any CM Removal Resolution and all other matters as to which Noteholders are entitled to vote. CM Non-Voting Exchangeable Notes and CM Non-Voting Notes shall not carry any rights in respect of, or be counted for the purposes of determining a quorum and the result of voting on, any CM Removal Resolution or any CM Replacement Resolution but shall carry a right to vote on and be counted in respect of all other matters in respect of which the Noteholders have a right to vote and be counted.
	CM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into CM Non-Voting Exchangeable Notes or CM Non-Voting Notes. CM Non-Voting Exchangeable Notes shall be exchangeable (a) upon request by the relevant Noteholder at any time into CM Non-Voting Notes or (b) into CM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor upon request of the relevant transferee or transferor and in no other circumstance. CM Non-Voting Notes shall not be exchangeable at any time into CM Voting Notes or CM Non-Voting Exchangeable Notes.
	Any Class A Notes, Class B Notes, Class C Notes or Class D Notes held by or on behalf of the Collateral Manager or its Affiliates at any time may only be held in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes.
Governing Law	The Notes, the Trust Deed, the Collateral Management Agreement, the Agency Agreement and all other Transaction Documents (other than the Corporate Services Agreement which is governed by the laws of Ireland), will be governed by English law.
Listing	Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on the Main Securities Market. It is anticipated that listing will take place on or about the Issue Date. There can be no assurance that any such approval will be granted or, if granted, that such listing will be maintained.
Tax Status	See "*Tax Considerations*".

Certain ERISA Considerations	See "*Certain ERISA Considerations*".
Withholding Tax	No gross up of any payments will be payable to the Noteholders. See Condition 9 (*Taxation*).
Forced sale and withholding pursuant to FATCA	Under FATCA, the Issuer may require each Noteholder (which may include a nominee or beneficial owner of a Note for these purposes) to provide certifications and identifying information about itself and certain of its owners. The Issuer may force the sale of a Noteholder's Notes in order to comply with FATCA, including Notes held by a Noteholder that fails to provide the required information (and such sale could be for less than its then fair market value). In addition, the failure to provide such information, or the failure of certain non U.S. financial institutions to comply with FATCA, may compel the Issuer to withhold on payments to such holders (and the Issuer will not pay any additional amounts with respect to such withholding).
Additional Issuances	Subject to certain conditions being met, additional Notes of: (a) one or more existing Classes; and (b) one or more new Classes, *provided that* such new Classes will be subordinated in right to the repayment of interest and principal of the most junior Class of Notes then Outstanding (other than the Subordinated Notes) in accordance with applicable Priorities of Payments, may be issued and sold. See Condition 17 (*Additional Issuance*).
Retention Holder and EU Retention Requirements	The Retention Holder will agree that for so long as any Class of Notes remains Outstanding, it will subscribe for on the Issue Date, and hold on an ongoing basis, not less than 5 per cent. of the outstanding nominal value of each Class of Notes with the intention of complying with the EU Retention Requirements as such requirements apply as of the Issue Date provided, however, that the Retention Holder may transfer the Retention Notes to the extent such transfer would not cause the transaction to be non-compliant with the EU Retention Requirements. See "*The Retention Holder and EU Retention Requirements*".
Retention Holder and U.S. Risk Retention Rules	The Collateral Manager has informed the Issuer that the Retention Holder will retain the Retention Notes in compliance with, and that such Retention Notes satisfy the requirements for retaining an "eligible vertical interest" under, the U.S. Risk Retention Rules. See "*U.S. Credit Risk Retention*".

RISK FACTORS

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

1. GENERAL

1.1 General

It is intended that the Issuer will invest in loans, bonds and other financial assets with certain risk characteristics as described below and subject to the investment policies, restrictions and guidelines described in "*The Portfolio*". There can be no assurance that the Issuer's investments will be successful, that its investment objectives will be achieved, that the Noteholders will receive the full amounts payable by the Issuer under the Notes or that they will receive any return on their investment in the Notes. Prospective investors are therefore advised to review this entire Prospectus carefully and should consider, among other things, the risk factors set out in this section before deciding whether to invest in the Notes. Except as is otherwise stated below, such risk factors are generally applicable to all Classes of Notes, although the degree of risk associated with each Class of Notes will vary in accordance with the position of such Class of Notes in the Priorities of Payments. See Condition 3(c) (*Priorities of Payments*). In particular, payments in respect of the Class A Notes are generally higher in the Priorities of Payments than those of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes. Neither the Placement Agent nor the Trustee undertakes to review the financial condition or affairs of the Issuer or the Collateral Manager during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Placement Agent or the Trustee which is not included in this Prospectus.

1.2 Suitability

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

1.3 Limited Resources of Funds to Pay Expenses of the Issuer

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

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

Legal, tax and regulatory changes could occur over the course of the life of the Notes that may adversely affect the Issuer. The regulatory environment for vehicles of the nature of the Issuer is evolving, and changes in regulation may adversely affect the value of investments

held by the Issuer and the ability of the Issuer to obtain the leverage it might otherwise obtain or to pursue its investment and trading strategies. In addition, the securities and derivatives markets are subject to comprehensive statutory, regulatory and margin requirements. Certain regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The regulation of transactions of a type similar to this transaction and derivative transactions and vehicles that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Issuer could be substantial and adverse.

1.5 Events in the CLO and Leveraged Finance Markets

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

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

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

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

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

The ability of the Issuer to make payments on the Notes can depend on the general economic climate and the state of the global economy. The business, financial condition or results of operations of the Obligors of the Collateral Debt Obligations may be adversely affected by a deterioration of economic and business conditions. To the extent that economic and business conditions deteriorate or fail to improve, non-performing assets are likely to increase, and the value and collectability of the Collateral Debt Obligations are likely to decrease. A decrease

in market value of the Collateral Debt Obligations would also adversely affect the Sale Proceeds that could be obtained upon the sale of the Collateral Debt Obligations and could ultimately affect the ability of the Issuer to pay in full or redeem the Rated Notes, as well as the ability to make any distributions in respect of the Subordinated Notes.

Many financial institutions, including banks, continue to suffer from capitalisation issues in a regulatory environment which may increase the capital requirement for certain businesses. The bankruptcy or insolvency of a major financial institution may have an adverse effect on the Issuer, particularly if such financial institution is a grantor of a participation in an asset or is a hedge counterparty to a swap or hedge involving the Issuer, or a counterparty to a buy or sell trade that has not settled with respect to an asset. The bankruptcy or insolvency of another financial institution may result in the disruption of payments to the Issuer. In addition, the bankruptcy or insolvency of one or more additional financial institutions may trigger additional crises in the global credit markets and overall economy which could have a significant adverse effect on the Issuer, the Collateral and the Notes.

The global credit crisis and its consequences together with the perceived failure of the preceding financial regulatory regime, continue to drive legislation and regulators towards a restrictive regulatory environment, including the implementation of further regulation which affects financial institutions, markets, instruments and the bond market. Such additional rules and regulations could, among other things, adversely affect Noteholders as well as the flexibility of the Collateral Manager in managing and administering the Collateral. Increasing capital requirements and changing regulations may also result in some financial institutions exiting, curtailing or otherwise adjusting some trading, hedging or investment activities which may have effects on the liquidity of investments such as the Notes as well as the Collateral.

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

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

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

1.7 European Union and Euro Zone Risk

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

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

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

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

1.8 Referendum on the UK's EU Membership

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

Article 50 of the Treaty on European Union ("**Article 50**") provides that a Member State which decides to withdraw from the EU is required to notify the European Council of its intention to do so. If notice is given under Article 50 by a Member State, the EU will negotiate and conclude an agreement with such Member State, setting out the arrangements for its withdrawal. While the UK government indicated its intention to invoke Article 50 by the end of March 2017, it remains uncertain if or when such notice may be given.

Applicability of EU law in the UK

It is at present unclear what type of relationship between the UK and the EU will be established, or at what date (whether by the time when, or after, the UK ceases to be a

member of the EU), or what would be the content of such a relationship. It is possible that a new relationship would preserve the applicability of certain EU rules (or equivalent rules) in the UK. At this time it is not possible to state with any certainty to what extent that might be so.

Upon any withdrawal from the EU by the UK, and subject to agreement on (and the terms of) any future EU-UK relationship, EU laws (other than those EU laws transposed into English law (see below)) will cease to apply within the UK pursuant to the terms and timing of a future withdrawal agreement. This would be achieved by the UK ceasing to be party to the Treaty on European Union and the Treaty on the Functioning of the European Union, and by the parallel repeal of the European Communities Act 1972. The UK may therefore cease to be a member of the EU if a notice is served under Article 50 and a period of two years expires without (i) conclusion of a withdrawal agreement or (ii) the European Council agrees with the UK to extend such two year period. At this time it is not possible to state with any certainty what might be the terms and effective date of any withdrawal agreement or the date when such a two year period (or any extension thereof) would expire. Until such date, EU law will remain in force in the UK.

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

Regulatory Risk

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

There can be no assurance that the terms of the UK's exit from the EU will include arrangements for the continuation of the existing passporting regime or mutual access rights to market infrastructure and recognition of insolvency, bank recovery and resolution regimes. Such uncertainty could adversely impact the Issuer and, in particular, the ability of third parties to provide services to the Issuer, and could be materially detrimental to Noteholders.

Regulatory Risk – UK manager/Retention Holder

In particular, if the UK were, as a consequence of leaving the EU, no longer within the scope of MiFID and a passporting regime or third country recognition of the UK is not in place, then (a) a UK manager such as the Collateral Manager may be unable to continue to provide

collateral management services to the Issuer in reliance upon the passporting of relevant regulated services within the EU on a cross-border basis provided for under MiFID and (b) the Collateral Manager may not be able to continue to act as Retention Holder to the extent it was required to hold the retention solely as "sponsor" in accordance with the EU Retention Requirements (even if the Collateral Manager were to remain subject to UK financial services regulation), however, we note that the Collateral Manager intends to act as an "originator" retention holder for the purposes of this transaction. As of the date hereof, an "originator" retention holder is not required to be regulated in the EU in order to act in such capacity. See "*EU Risk Retention and Due Diligence Requirements*" below.

However, in Ireland under Regulation 8(1) of the European Communities (Markets in Financial Instruments) Regulations 2007, if the Collateral Manager's head or registered office or branch is in a state other than a member state of the European Union, it would not generally need to be an authorised investment firm in order to provide CLO services in Ireland to bodies corporate (such as the Issuer) and therefore the Collateral Manager should be able to continue to provide collateral management services to the Issuer.

Reforms to MiFID pursuant to Directive 2014/65/EU and Regulation 600/2014/EU (collectively referred to as "**MiFID II**") providing (among other things) the ability for non-EU investment firms to provide collateral management services in the EU on a cross-border basis entered into force on 2 July 2014 and will apply from 3 January 2018. Transposition by Member States into domestic law of the MiFID II measures set out in Directive 2014/65/EU is required by 3 July 2017. So long as it forms part of Irish domestic law, a non-EU investment firm may continue to rely on the Irish "safe harbour" described above until such firm qualifies under the MiFID II measures to provide collateral management services in the EU on a cross-border basis.

In order to qualify to provide collateral management services in the EU on a cross-border basis, non-EU investment firms will be required (i) to be authorised in a third country to provide collateral management services which are regulated under MiFID II (A) in respect of which the Commission has adopted an equivalency decision and (B) where ESMA has established cooperation arrangements with the relevant competent authorities, and (ii) to be registered with ESMA to do so. It is not possible guarantee or predict the timing of any Commission equivalency decision, cooperation arrangements or registration by ESMA.

However, MiFID II provides certain transitional measures so that third country investment firms may continue to provide collateral management services in the EU on a cross-border basis in accordance with the relevant national regimes (i) until the time of any Commission equivalency decision and (ii) following any Commission equivalency decision, for a maximum of three years.

Market Risk

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

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

Exposure to Counterparties

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

Ratings actions

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

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

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

1.9 Third Party Litigation; Limited Funds Available

Investment activities such as the purchase, selling, holding and participation in voting or the restructuring of Collateral Debt Obligations may subject the Issuer to the risks of becoming involved in litigation by third parties. This risk may be greater where the Issuer exercises control or significant influence over a company's direction. The expense of defending claims against the Issuer by third parties (including bankruptcy or insolvency proceedings) and paying any amounts pursuant to settlements or judgments would, except in the unlikely event that that Issuer is indemnified for such amounts, be borne by the Issuer and would reduce the funds available for distribution and the Issuer's net assets . The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Collateral Administrator and for payment of the Issuer's other accrued and unpaid Administrative Expenses are limited amounts available in accordance with the Priorities of Payments. If such funds are not sufficient to pay the expenses incurred by the Issuer, the ability of the Issuer to operate effectively may be impaired, and the Issuer may not be able to defend or prosecute legal proceedings that may be bought against it or that the Issuer might otherwise bring to protect its interests.

2. Regulatory Initiatives

In Europe, the U.S. and elsewhere there has been and there continues to be increased political and regulatory scrutiny of banks, financial institutions, "shadow banking entities" and the asset-backed securities industry. This has resulted in a raft of measures for increased

regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold or trade asset-backed securities, and may thereby affect the liquidity of such securities.

This uncertainty is further compounded by the numerous regulatory efforts underway in Europe, the U.S. and globally. Certain of these efforts overlap. In addition, even where these regulatory efforts overlap, they generally have not been undertaken on a coordinated basis.

None of the Issuer, the Initial Purchaser, the Collateral Manager, the Trustee nor any of their respective affiliates makes any representation as to the proper characterisation of the Notes for legal investment, financial institution regulatory, financial reporting or other purposes, as to the ability of particular investors to invest in the Notes under applicable legal investment or other restrictions or as to the consequences of an investment in the Notes for such purposes or under such restrictions. All prospective investors in the Notes whose investment activities are subject to legal investment laws and regulations, regulatory capital requirements, or review by regulatory authorities should consult with their own legal, accounting and other advisors in determining whether, and to what extent, the Notes will constitute legal investments for them or are subject to investment or other regulatory restrictions, unfavourable accounting treatment, capital charges, reserve requirements or other consequences.

2.1 Basel III

The Basel Committee on Banking Supervision ("**BCBS**") has approved significant changes to the Basel regulatory capital and liquidity framework (such changes being commonly referred to as "**Basel III**") and has proposed certain revisions to the securitisation framework. Basel III provides for a substantial strengthening of existing prudential rules, including new requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards (referred to as the Liquidity Coverage Ratio ("**LCR**") and the Net Stable Funding Ratio ("**NSFR**")). BCBS member countries agreed to implement Basel III from 1 January 2013, subject to transitional and phase-in arrangements for certain requirements (for example, the LCR requirements referred to implementation from the start of 2015, with full implementation by January 2019, and the NSFR requirements referred to implementation from January 2018). As implementation of any changes to the Basel framework (including those made via Basel III) requires legislation in each jurisdiction, the final rules and the timetable for its implementation in each jurisdiction, as well as the treatment of asset-backed securities (for example, as LCR eligible assets or not), may be subject to some level of variation between jurisdictions. It should also be noted that changes to regulatory capital requirements have been introduced for insurance and reinsurance undertakings through jurisdiction specific initiatives, such as the Solvency II framework in the European Union.

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

2.2 EU Risk Retention and Due Diligence Requirements

Investors should be aware and in some cases are required to be aware of the risk retention and due diligence requirements in Europe (the "**EU Risk Retention and Due Diligence**

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

Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear. Though some aspects of the detail and effect of all of these requirements remain unclear, these requirements and any other changes to the regulation or regulatory treatment of securitisations or of the Notes for investors may negatively impact the regulatory position of individual holders. In addition, such regulations could have a negative impact on the price and liquidity of the Notes in the secondary market.

Each investor should consult with its own legal, accounting, regulatory and other advisors and/or its regulator before committing to acquire any Notes to determine whether, and to what extent, the information set out in this Prospectus and in any investor report provided in relation to the transaction is sufficient for the purpose of satisfying such requirements. Investors are required to independently assess and determine the sufficiency of such information. None of the Issuer, the Collateral Manager, the Placement Agent, the Trustee, the Collateral Administrator, the Retention Holder, their respective Affiliates or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose or that the structure of the Notes and the transactions described herein are compliant with the EU Risk Retention and Due Diligence Requirements or any other applicable legal regulatory or other requirements and no such person shall have any liability to any prospective investor or any other person with respect to any deficiency in such information or any failure of the transactions contemplated hereby to comply with or otherwise satisfy such requirements. If a regulator determines that the transaction did not comply or is no longer in compliance with the EU Risk Retention and Due Diligence Requirements or any applicable legal, regulatory or other requirement, then investors may be required by their regulator to set aside additional capital against their investment in the Notes or take other remedial measures in respect of their investment in the Notes. In addition, such regulations could have a negative impact on the price and liquidity of the Notes in the secondary market.

Investors should note that the EBA published a report on 22 December 2014 (the "**EBA Report**"). In the EBA Report, the EBA suggested, amongst other things, that the definition of "Originator" should be narrowed in order to avoid potential abuses. Without limiting the foregoing, investors should be aware that at this time save for the EBA Report described above, the European Banking Authority has not published any binding guidance relating to the satisfaction of the CRR Retention Requirements by an originator similar to the Retention Holder. Furthermore, the European Banking Authority's or any other applicable regulator's views with regard to the CRR Retention Requirements may not be based exclusively on technical standards, guidance or other information known at this time.

On 30 September 2015, the European Commission (the "**Commission**") published a proposal to amend the CRR (the "**Draft CRR Amendment Regulation**") and a proposed regulation

relating to a European framework for simple, transparent and standardised securitisation (such proposed regulation, including any implementing regulation, technical standards and official guidelines related thereto, the "**Securitisation Framework**" and, together with the Draft CRR Amendment Regulation, the "**Securitisation Regulation**") which would, amongst other things, re-cast the EU risk retention rules as part of wider changes to establish a "Capital Markets Union" in Europe. The Presidency of the Council of Ministers of the European Union (the "**Council**") has also published compromise proposals concerning the Securitisation Regulation. On the 8 December 2016, The Economic and Monetary Affairs Committee of the European Parliament ("**ECON**") agreed a number of compromise amendments to the Securitisation Regulation (the "**ECON Amendments**"). The next step in the legislative process will be trilogue discussions among the Commission, the Council and representatives of the European Parliament. It is unclear at this time when the Securitisation Regulation will become effective and which, if any, of the ECON Amendments will be included in the final regulations. Investors should be aware that there are material differences between the current EU Risk Retention and Due Diligence Requirements, the Securitisation Regulation and the ECON Amendments. The Securitisation Regulation may also enter into force in a form that differs from the published proposals and drafts. If any changes to the Conditions or the Transaction Documents are required as a result of the implementation of the Securitisation Regulation, the Issuer shall be required to bear the costs of making such changes.

There can therefore be no assurances as to whether the transactions described herein will be affected by a change in law or regulation relating to the EU Risk Retention and Due Diligence Requirements (including the Securitisation Regulation), including as a result of any changes recommended in future reports or reviews. Investors should therefore make themselves aware of the EU Risk Retention and Due Diligence Requirements, the proposed Securitisation Regulation (and any corresponding implementing rules of their regulator), in addition to any other regulatory requirements that are (or may become) applicable to them and/or with respect to their investment in the Notes.

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

2.3 U.S. Risk Retention Requirements

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

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

The Retention Holder will purchase an "eligible vertical interest" (as defined in the U.S. Risk Retention Rules) on the Issue Date and will retain the "eligible vertical interest" as long as required by the U.S. Risk Retention Rules. See "*U.S. Credit Risk Retention*" below.

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

The U.S. Risk Retention Rules would apply to any additional Notes issued after the Issue Date or any Refinancing. In addition, the SEC has indicated in contexts separate from the U.S. Risk Retention Rules that an "offer" and "sale" of securities may arise when amendments to securities are so material as to require holders to make an "investment decision" with respect to such securities. Thus, if the SEC were to take a similar position with respect to the U.S. Risk Retention Rules, they could apply to material amendments to the Trust Deed and the Notes, to the extent such amendments require investors to make a new investment decision with respect to the Notes. There is no assurance that the Notes purchased by the Retention Holder on the Issue Date will be sufficient to satisfy the U.S. Risk Retention Rules in connection with any such additional issuance or Refinancing. In granting or withholding such consent to any additional issuance or Refinancing, it should be expected that the Collateral Manager will act in its own self-interest (and will not take into account the interests of any other Person, including the Issuer and/or any Holders of Notes) and not consent to any of the foregoing actions if to do so might cause the Collateral Manager to be in violation of the U.S. Risk Retention Rules or to have to increase the amount of the U.S. Retention Interest held by the Retention Holder. As a result, the U.S. Risk Retention Rules may adversely affect the Issuer (and the performance and market value of the Notes) if the Issuer is unable to undertake any such additional issuance, Refinancing or other material amendment and may affect the liquidity of the Notes. Furthermore, no assurance can be given as to whether the U.S. Risk Retention Rules will have any additional material adverse effect on the business, financial condition or prospects of the Collateral Manager, the Issuer or the Holders.

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

Notes. Any reduction in the volume and liquidity provided by CLOs in the leveraged loan market could also reduce opportunities to redeem or refinance the Notes.

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

2.4 Retention Financing

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

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

2.5 European Market Infrastructure Regulation (EMIR)

The European Market Infrastructure Regulation EU 648/2012 ("**EMIR**") and its various delegated regulations and technical standards impose a range of obligations on parties to "over-the-counter" ("**OTC**") derivative contracts according to whether they are "financial counterparties" such as investment firms, alternative investment funds (see 2.6 (*Alternative Investment Fund Managers Directive*) below), credit institutions and insurance companies, or other entities which are "non-financial counterparties".

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

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

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

Clearing obligation

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

Margin requirements

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

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

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

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

The Conditions of the Notes allow the Issuer and oblige the Trustee without the consent of any of the Noteholders, to amend the Transaction Documents and/or the Conditions of the Notes to comply with the requirements of EMIR which may become applicable in future.

Prospective investors should be aware that the regulatory changes arising from EMIR may in due course significantly increase the cost of entering into derivative contracts (including the potential for non-financial counterparties such as the Issuer to become subject to marking to market and collateral posting requirements in respect of non-cleared OTC derivatives such as Asset Swap Transactions and Interest Rate Hedge Transactions). These changes may adversely affect the Issuer's ability to enter the currency hedge swaps and therefore the Issuer's ability to acquire Non-Euro Obligations and/or manage interest rate risk. As a result of such increased costs and/or additional regulatory requirements, investors may receive significantly less or no interest or return, as the case may be as the Collateral Manager may not be able to execute its investment strategy as anticipated. Investors should consult their own independent advisers and make their own assessment about the potential risks posed by EMIR in making any investment decision in respect of the Notes.

Prospective investors should also be aware that on 13 August 2015 ESMA published four reports on the functioning of EMIR and providing input and recommendations to the European Commission's official review of EMIR (in accordance with Article 85(1) thereof). ESMA's reports recommend a number of changes to the EMIR framework, including potentially significant changes to the clearing obligation and the process for classifying non-financial counterparties. The ESMA reports are expected to feed into the general report on EMIR that the European Commission will prepare and submit to the European Parliament and

the Council; however the extent to which ESMA's recommendations will be integrated into the European Commission's report and ultimately endorsed is not known at this time and cannot be predicted.

2.6 Alternative Investment Fund Managers Directive

EU Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**") introduced authorisation and regulatory requirements for managers of alternative investment funds ("**AIFs**"). If the Issuer were to be considered to be an AIF within the meaning in AIFMD, it would need to be managed by a manager authorised under AIFMD (an "**AIFM**"). If considered to be an AIF, the Issuer would also be classified as a "financial counterparty" under EMIR and may be required to comply with clearing obligations with respect to Hedge Transactions and obligations to post margin to any central clearing counterparty or market counterparty. See also 2.5 "*European Market Infrastructure Regulation (EMIR)*" above.

There is an exemption from the definition of AIF in AIFMD for "securitisation special purpose entities" (the "**SSPE Exemption**"). The European Securities and Markets Authority ("**ESMA**") has not yet given any formal guidance on the application of the SSPE Exemption or whether a vehicle such as the Issuer would fall within it. However, the Central Bank has confirmed that pending such further clarification from ESMA, "registered financial vehicle corporations" with the meaning of Article 1(2) of Regulation (EC) No 24/2009 of the European Central Bank, such as the Issuer, do not need to seek authorisation as an AIF or appoint an AIFM unless the Central Bank issues further guidance advising them to do so.

If the SSPE Exemption does not apply and the Issuer is considered to be an AIF, the Collateral Manager may not be able to continue to manage the Issuer's assets, or its ability to do so may be impaired. As a result, implementation of the AIFMD may affect the return investors receive from their investment.

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

2.7 U.S. Dodd-Frank Act

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

The Securities and Exchange Commission (the "**SEC**") has also proposed changes to Regulation AB (as defined under the Securities Act) under the Securities Act which would have had the potential to impose new disclosure requirements on securities offerings pursuant to Rule 144A under the Securities Act or pursuant to other SEC regulatory exemptions from

registration. Such rules, if adopted, could have restricted the use of this Prospectus or require the publication of a new prospectus in connection with the issuance and sale of any additional Notes or any Refinancing. On 27 August 2014, the SEC adopted final rules amending Regulation AB that did not implement these proposals. However, the SEC has indicated that it is continuing to consider amendments that were proposed with respect to Regulation AB but not adopted, and that further amendments may be forthcoming in the future. If such amendments are made to Regulation AB in the future, they may place additional requirements and expenses on the Issuer in the event of the issuance and sale of any additional notes, which expenses may reduce the amounts available for distribution to the Noteholders.

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

2.8 CFTC Regulations

Pursuant to the Dodd-Frank Act regulators in the United States have promulgated and continue to promulgate a range of new regulatory requirements that may affect the pricing, terms and compliance costs associated with the entry into any Hedge Transaction by the Issuer and the availability of such Hedge Transactions. Some or all of the Hedge Transactions that the Issuer may enter into may be affected by (i) the requirement that certain swaps be centrally cleared and traded on a designated contract market or swap execution facility, (ii) initial or variation margin requirements of any central clearing organisation (with respect to cleared swaps) or initial or variation margin requirements with respect to uncleared swaps, (iii) swap reporting and recordkeeping obligations, and other matters. These new requirements may (x) significantly increase the cost to the Issuer and/or the Collateral Manager of entering into Hedge Transactions such that the Issuer may be unable to purchase certain types of Collateral Debt Obligations, (y) have unforeseen legal consequences on the Issuer or the Collateral Manager or (z) have other material adverse effects on the Issuer or the Noteholders.

2.9 Commodity Pool Regulation

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

In the event that trading or entering into one or more Hedge Agreements would result in the Issuer's activities falling within the definition of a "commodity pool", the Collateral Manager may cause the Issuer to be operated in compliance with the exemption set forth in CFTC Rule 4.13(a)(3) as in effect on the Issue Date. Utilising any such exemption from registration may

impose additional costs on the Collateral Manager and the Issuer and may significantly limit the Collateral Manager's ability to engage in hedging activities on behalf of the Issuer. Additionally, unlike a registered CPO, the Collateral Manager would not be required to deliver a CFTC disclosure document to prospective investors, nor would it be required to provide investors with certified annual reports that satisfy the requirements of CFTC rules applicable to registered CPOs. Neither the CFTC nor the National Futures Association (the "**NFA**") pass upon the merits of participating in a pool or upon the adequacy or accuracy of offering memoranda. Consequently, neither the CFTC not the NFA has reviewed or approved this Prospectus or any related subscription agreement.

In the event that the CFTC guidance referred to above changes or the Issuer engages in one or more activities that might cause it to fall within the definition of a "commodity pool" under the CEA and no exemption from registration is available, registration of the Collateral Manager as a CPO and/or a CTA may be required before the Issuer (or the Collateral Manager on the Issuer's behalf) may enter into any Hedge Agreement. Registration of the Collateral Manager as a CPO and/or a CTA could cause the Collateral Manager to be subject to extensive compliance and reporting requirements that would involve material costs which may be passed on to the Issuer. The scope of such compliance costs is uncertain but could adversely affect the amount of funds available to make payments on the Notes. In addition, in the event an exemption from registration were available and the Collateral Manager elected to file for an exemption, the Collateral Manager would not be required to deliver certain CFTC mandated disclosure documents or a certified annual report to investors or satisfy on-going compliance requirements under Part 4 of the CFTC Regulations, as would be the case for a registered CPO and/or CTA. Further, the conditions of such exemption may constrain the extent to which the Issuer may be able to enter into swap transactions. In particular, the limits imposed by such exemptions may prevent the Issuer from entering into a Hedge Transaction that the Collateral Manager believes would be advisable or result in the Issuer incurring financial risks that would have been hedged pursuant to swap transactions absent such limits. In addition, the costs of obtaining and maintaining such exemption will be passed on to the Issuer.

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

2.10 Volcker Rule

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

An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the "covered fund", as well as through certain rights of the holder to participate in the selection or removal of an investment advisor, investment manager, or general partner, trustee, or member of the board of directors of the "covered fund". A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act but is exempt from registration solely in reliance on section 3(c)(1) or 3(c)(7) of that Act, subject to certain exemptions found in the Volcker Rule's implementing regulations.

It should be noted that a commodity pool as defined in the CEA (see 2.9 "*Commodity Pool Regulation"*, above) could, depending on which CEA exemption is used by such commodity pool or its commodity pool operator, also fall within the definition of a covered fund as described above.

The Transaction Documents provide that the Noteholders' rights in respect of the removal of the Collateral Manager and selection of a replacement Collateral Manager shall only be exercisable upon an Collateral Manager Event of Default. Furthermore, the holders of any of the Class A Notes, the Class B Notes, the Class C Notes or the Class D Notes in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes are disenfranchised in respect of any CM Removal Resolution or CM Replacement Resolution. However, there can be no assurance that these features will be effective in resulting in instruments issued by the Issuer not being characterised as "ownership interests" in the Issuer.

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

No assurance can be made as to the effect of the Volcker Rule on the ability of certain investors subject thereto to acquire or retain an interest in the Notes. Each prospective investor in the Notes should independently consider the potential impact of the Volcker Rule in respect of any investment in the Notes. Investors should conduct their own analysis to determine whether the Issuer is a "covered fund" for their purposes.

2.11 Reliance on Rating Agency Ratings

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

2.12 Flip Clauses

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

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

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

On 28 June 2016, the U.S. Bankruptcy Court issued a decision in Lehman Brothers Special Financing Inc. v. Bank of America National Association, et al. Case No. 10-3547 (In re Lehman Brothers Holdings Inc.), No. 10-03547 (Bankr S.D.N.Y. June 208, 2016). In this decision, the court held that not all priority of payment provisions would be unenforceable ipso facto clauses under the U.S. Bankruptcy Code. Instead, the court identified two materially distinct approaches to such provisions. Where a counterparty's automatic right to payment priority ahead of the noteholders is "flipped" or modified upon, for example, such counterparty's default under the swap document, the court confirmed that such priority provisions were unenforceable ipso facto clauses. Conversely, the court held that priority provisions where no right of priority is established until after a termination event under the swap documents has occurred were not ipso facto clauses, and, therefore, fully enforceable. Moreover, even where the provisions at issue were ipso facto clauses, the Court found that they were nonetheless enforceable under the Code's safe harbour provisions. Specifically, the Court concluded that priority of distribution was a necessary part of liquidation of a swap agreement, which the safe harbour provisions expressly protect. The Court effectively limited the analysis in the BNY case to cases where the flip provisions are only in an indenture, and do not constitute part of the swap agreement. This judgment highlights the difference in approach taken between U.S. and English law on this subject, although it significantly reduces the practical differences in outcome. There remain several actions in the U.S. commenced by debtors of Lehman Brothers concerning the enforceability of flip clauses and this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies.

The flip clause examined in the *Belmont* case is similar in substance to the relevant provisions in the Priorities of Payments, however the context and manner of subordination which may be applied to a Hedge Counterparty in accordance with such provisions will not be identical; and the judgments in *Belmont* and subsequent litigation in which the same rule has been applied

have noted that English law questions relating to the anti-deprivation principle will be determined on the basis of the particular terms at hand and their commercial context. As such, it is not necessarily settled that the particular flip clauses contained in the Priorities of Payments would certainly be enforceable as a matter of English law, in the case of insolvency of a Hedge Counterparty.

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

2.13 LIBOR and EURIBOR Reform

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

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

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

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

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

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

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

In the EU, in September 2013, the European Commission published a proposal for a regulation (the "**Benchmark Regulation**") on indices used as benchmarks in financial instruments and financial contracts. The Benchmark Regulation was published in the Official Journal of the EU on 29 June 2016 and entered into force on 30 June 2016. It is directly applicable law across the EU. The majority of its provisions will not, however, apply until 1 January 2018.

The Benchmark Regulation applies principally to "administrators" and also, in some respects, to "contributors" and certain "users" of "benchmarks", and will, among other things, (i) require benchmark administrators to be authorised (or, if non-EU-based, to be subject to an equivalent regulatory regime) and make significant changes to the way in which benchmarks falling within scope of the Benchmark Regulation are governed (including reforms of governance and control arrangements, obligations in relation to input data, certain transparency and record-keeping requirements and detailed codes of conduct for contributors) and (ii) prevent certain uses of "benchmarks" provided by unauthorised administrators by supervised entities in the EU. The scope of the Benchmark Regulation is wide and, in addition to so-called "critical benchmark" indices, could also potentially apply to many interest rate and foreign exchange rate indices, equity indices and other indices (including "proprietary"

indices or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments traded on a trading venue, financial contracts and investment funds. By way of a European Commission Implementing Regulation published on 12 August 2016, EURIBOR was identified as a "critical benchmark" for the purposes of the Benchmark Regulation.

Benchmarks such as LIBOR or EURIBOR may be discontinued if they do not comply with the requirements of the Benchmark Regulation, or if the administrator of the benchmark either fails to apply for authorisation or is refused authorisation by its home regulator.

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

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

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

Investors should be aware that:

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

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

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

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

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

(f) if any of the relevant EURIBOR benchmarks referenced in Condition 6 (*Interest*) is discontinued, interest on the Notes will be calculated under Condition 6(e) (*Interest on the Notes*); and

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

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

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

In February 2013 the European Commission published a proposal for a Council Directive implementing enhanced cooperation for a financial transaction tax ("**FTT**") requested by Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (each, other than Estonia, a "**Participating Member State**"). However, on 16 March 2016, Estonia completed the formalities required to cease participation in the enhanced cooperation on FTT.

In its current form, the proposed FTT would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State, or the financial instrument in which the parties are dealing is issued in a Participating Member State. The FTT will apply to both transaction parties where one of these circumstances applies. The FTT may apply to dealings in the Collateral to the extent the Collateral constitutes financial instruments within its scope, such as bonds. In such circumstances, it is not possible to predict what effect the proposed FTT might have on the business of the Issuer and there will be no gross-up by any party to the transaction and amounts due to Noteholders may be adversely affected.

At this stage, it is too early to say whether the proposed FTT will be adopted and in what form. Certain aspects of the current proposal are controversial and, if the FTT is progressed, may be altered prior to implementation. While the proposal for a Council Directive in February 2013 identified the date of introduction of the FTT across the Participating Member States as being 1 January 2014, this anticipated introduction date has been extended on several occasions. The meeting of the European Union Economic and Financial Affairs Council on 7 November 2014 confirmed the aim among the Participating Member States of implementing the first phase of the FTT with effect from 1 January 2016. However, a publication by the Luxembourg Presidency of the Council of the European Union on 3 December 2015 setting out the 'state of play' in relation to the FTT indicated that a decision on the remaining open issues regarding the FTT would only be made at some point before the end of June 2016. A subsequent publication by the Netherlands Presidency of the Council of the European Union (the "**Netherlands Presidency**") on 3 June 2016 updating the 'state of play' in relation to the FTT identified that debate remains on-going between the Participating Member States regarding a number of key issues concerning the scope and application of the FTT. The 'state of play' report by the Netherlands Presidency concludes that discussions on these key issues should continue between the Participating Member States at ECOFIN level.

The anticipated implementation date for the FTT of 1 January 2016 was not met. The most recent 'state of play' report by the Netherlands Presidency on 3 June 2016 noted that implementation of the FTT (if it takes place at all) was most likely to be at some date after 30 June 2016. The precise date for implementation of the FTT is uncertain.

Additional Member States may also decide to participate in the FTT. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT and its potential impact on their dealings in the Notes before investing.

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

Many jurisdictions have adopted wide-ranging anti-money laundering, economic and trade sanctions, and anti-corruption and anti-bribery laws, and regulations (collectively, the "**AML**

Requirements"). Any of the Issuer, the Placement Agent, the Collateral Manager, the Trustee or the Agents could be requested or required to obtain certain assurances from prospective investors intending to purchase Notes and to retain such information or to disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future. It is expected that the Issuer, the Placement Agent, the Collateral Manager and the Trustee will comply with AML Requirements to which they are or may become subject and to interpret such AML Requirements broadly in favour of disclosure. In addition, it is expected that each of the Issuer, the Placement Agent, the Collateral Manager and the Trustee intends to comply with applicable anti-money laundering and anti-terrorism, economic and trade sanctions, and anti-corruption or anti-bribery laws, and regulations of the United States and other countries, and will disclose any information required or requested by authorities in connection therewith. A Noteholder may also be obliged to provide information they may have previously identified or regarded as confidential to satisfy the Issuer AML Requirements.

2.16 CRA

CRA Regulation in Europe

Regulation (EU) 462/2013 of the European Parliament and of the European Council amending Regulation EC 1060/2009 on credit rating agencies ("**CRA3**") came into force on 20 June 2013. Article 8(b) of CRA3 requires issuers, sponsors and originators of structured finance instruments such as the Notes to make detailed disclosures of information relating to those structured finance instruments. The European Commission has adopted a delegated regulation, detailing the scope and nature of the required disclosure however, the disclosure reporting requirements will only become effective on 1 January 2017. Such disclosures will need to be made via a website to be set up by the European Securities and Markets Authority ("**ESMA**"). As yet, this website has not been set up and ESMA has announced that it is unlikely that such website will be available by 1 January 2017 so issuers, originators and sponsors would not be able to comply with Article 8(b) from such date. ESMA has confirmed that it does not expect to be in a position to receive the required disclosure from 1 January 2017. In their current form, the regulatory technical standards only apply to structured finance instruments for which a reporting template has been specified. Currently there is no template for CLO transactions but if a template for CLO transactions were to be published and the website for disclosure were to be set up by ESMA, on and after the application date of the disclosure obligations, the Issuer may incur additional costs and expenses to comply with such disclosure obligations. Such costs and expenses would be payable by the Issuer as Administrative Expenses. In accordance with the current draft of the Securitisation Regulation, it is intended that Article 8(b) of CRA3 will be repealed, and that disclosure requirements will be governed thereafter by the Securitisation Regulation. However, it is uncertain at this time if the Securitisation Regulation will be adopted in its current form.

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

2.17 Action Plan on Base Erosion and Profit Shifting

At a meeting in Paris on 29 May 2013, the Organisation for Economic Co-operation and Development ("**OECD**") Council at Ministerial Level adopted a declaration on base erosion and profit shifting urging the OECD's Committee on Fiscal Affairs to develop an action plan to address base erosion and profit shifting in a comprehensive manner. In July 2013, the OECD launched an Action Plan on Base Erosion and Profit Shifting ("**BEPS**"), identifying fifteen specific actions to achieve this. Subsequently, the OECD published discussion papers and held public consultations in relation to those actions, also publishing interim reports, analyses and sets of recommendations in September 2014 for seven of the actions. On 5 October 2015, the OECD published final reports, analyses and sets of recommendations for all of the fifteen actions it identified as part of its Action Plan, which G20 finance ministers then endorsed during a meeting on 8 October 2015 in Lima, Peru (the "**Final Report**"). The Final Report was endorsed by G20 Leaders during their annual summit on 15-16 November 2015 in Antalya, Turkey. The "Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting" was published by the OECD on 24 November 2016.

Action 4

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

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

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

Action 6

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

The PPT rule could deny a treaty benefit (such as a reduced rate of withholding tax) if it is reasonable to conclude, having regard to all facts and circumstances, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in those circumstances would be in accordance with the object and purpose of the relevant provisions

of the treaty. It is unclear how a PPT, if adopted, would be applied by the tax authorities of those jurisdictions from which payments are made to the Issuer.

In contrast, the LOB rule has a more objective focus. More particularly, the OECD has included both a detailed and simplified version of the LOB rule in its Final Report relating to Action 6, albeit recommending in the related commentary to the LOB rule that the simplified version of the LOB rule should be included in a double tax treaty in combination with a PPT rule. The more detailed version of the LOB provision would limit the benefits of treaties, in the case of companies and in broad terms, to: (i) certain publicly listed companies and their affiliates; (ii) certain not-for-profit organisations and companies which carry on a pensions business; (iii) companies owned by a majority of persons who would be eligible for treaty benefits provided that the majority of the company's gross income is not paid to a third country in a tax deductible form; (iv) companies engaged in the active conduct of a trade or business (other than of making or managing investments); (v) companies which were not established in a particular jurisdiction with a principal purpose of obtaining treaty benefits; and (vi) certain collective investment vehicles ("**CIVs**"). The simplified version of the LOB provision would limit these benefits to companies in similar but, generally speaking, less prescriptive circumstances. The ability to claim treaty benefits under (v) above, however, would be included in both versions, albeit that it would require a company to apply to the tax authorities of the other contracting state for the granting of that benefit.

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

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

Action 7

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

As noted below, whether the Issuer will be subject to UK corporation tax may depend on, among other things, whether the Collateral Manager is regarded as an agent of independent status acting in the ordinary course of its business for the purpose of Article 5(6) of the

UK/Ireland double tax treaty. As at the date of this Prospectus, it is expected that, taking into account the nature of the Collateral Manager's business and the terms of its appointment and its role under the Collateral Management Agreement, the Collateral Manager will be regarded as an agent of independent status, acting in the ordinary course of its business, or be able to rely on the UK's investment manager exemption for these purposes. However, it is not clear what impact the Final Report relating to Action 7 will have on the UK/Ireland double tax treaty and the above analysis, principally because it is not clear to what extent (and on what timeframe) particular jurisdictions (such as the UK and Ireland) will decide to adopt any of the Final Report's recommendations. The recommendations of the Final Report on Action 7 described above do not represent a BEPS "minimum standard" and, accordingly, even where countries do sign the Multilateral Instrument (see further below), they will not be required, but may opt, to amend their existing tax treaties to include the recommendations of the Final Report

Implementation of the recommendations in the Final Report

The OECD Action Plan noted the need for a swift implementation of any measures which are finally decided upon and suggested that Actions 6 and 7, among others, could be implemented by way of multilateral instrument, rather than by way of negotiation and amendment of individual tax treaties.

Subsequently, therefore, on 24 November 2016, the OECD published the text and explanatory statement of the "Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting", developed by an ad hoc group of 99 countries which included Ireland and the UK (the "**Multilateral Instrument**"). The Multilateral Instrument is to be applied alongside existing tax treaties (rather than amending them directly), modifying the application of those existing treaties in order to implement BEPS measures. The accompanying press release stated that a first "high-level" signing ceremony for the Multilateral Instrument will take place in the week beginning 5 June 2017.

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

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

Irish Value Added Tax Treatment of the Collateral Management Fees

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

Value Added Tax (the "**Directive**"), which provides that EU Member States shall exempt the management of "special investment funds" as defined by EU Member States. The Value-Added Tax Consolidation Act 2010 of Ireland, in the provisions implementing Article 135(1)(g) of the Directive, specifically lists, in the categories of undertakings to whom supplies of management services are exempt from VAT, undertakings which are "qualifying companies" for the purposes of section 110 of the TCA. The Issuer has been advised that it will be such a "qualifying company", therefore management services supplied to it are exempt from value added tax in Ireland under current law. On 9 December 2015 the European Court of Justice handed down its judgment in the case of *Staatssecretaris van Financiën v Fiscale Eenheid X NV cs* Case C-595/13 which concerned Dutch law on value added tax, in particular the Dutch interpretation of the term "special investment fund" under the Directive, and could suggest that the exemption had been enacted by some EU Member States more broadly than is permitted by the Directive. The Issuer is not, however, aware of any proposal to amend Irish domestic law to remove the exemption from value added tax on Collateral Management Fees for entities such as the Issuer.

Changes to Section 110 of the Taxes Consolidation Act, 1997

There may be restrictions on the deductibility of interest or funding expenses paid by a qualifying company within the meaning of Section 110 of the TCA (such as the Issuer) where that company holds or manages certain loans, securities or other interests which derive their value from Irish land. These rules apply to qualifying companies from 6 September 2016.

Further detail on these provisions is set out in the "*Tax Considerations*" section of this Prospectus. If the Issuer holds or manages any of the relevant assets and is not able to benefit from any of the exceptions contained in the legislation, additional Irish tax may be payable by the Issuer.

2.18 EU Anti-Tax Avoidance Directive

As part of its anti-tax avoidance package the EU Commission published a draft Anti-Tax Avoidance Directive on 28 January 2016, which was formally adopted by the EC Council on 12 July 2016 in Council Directive (EU) 2016/1164 (the "**Anti-Tax Avoidance Directive**"). The Anti-Tax Avoidance Directive must be implemented by each Member State by 2019, subject to derogations for Member States which have equivalent measures in their domestic law. Amongst the measures contained in the Anti-Tax Avoidance Directive is an interest deductibility limitation rule similar to the recommendation contained in the BEPS Action 4 proposals. The Anti-Tax Avoidance Directive provides that interest costs in excess of the higher of (a) EUR 3,000,000 or (b) 30% of an entity's earnings before interest, tax, depreciation and amortisation will not be deductible in the year in which they are incurred but would remain available for carry forward. However, the restriction on interest deductibility would only be in respect of the amount by which the borrowing costs exceed "interest revenues and other equivalent taxable revenues from financial assets". Accordingly, as the Issuer will generally fund interest payments it makes under the Notes from interest payments to which it is entitled under Collateral Debt Obligations (that is such that the Issuer pays limited or no net interest), the restriction may be of limited relevance to the Issuer even if the Anti-Tax Avoidance Directive were implemented as originally published. There is also a carve out in the Anti-Tax Avoidance Directive for financial undertakings, although as currently drafted the Issuer would not be treated as a financial undertaking. The European Commission is also pursuing other initiatives, such as a common corporate tax base, the impact of which, if implemented, is uncertain.

2.19 Taxation Implications of Contributions

A Subordinated Noteholder may, in certain circumstances, provide the Issuer with cash by way of a Contribution in accordance with Condition 2(k) (*Contributions*). Subordinated

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

2.20 Diverted Profits Tax

The Finance Act 2015 has introduced a new tax in the United Kingdom to be called the "diverted profits tax" and charged at 25 per cent. of any "taxable diverted profits". The diverted profits tax was enacted in Finance Act 2015 which received Royal Assent on 26 March 2015. The tax has effect from 1 April 2015 and may apply in circumstances including where arrangements are designed to ensure that a non-UK resident company does not carry on a trade in the United Kingdom through a permanent establishment, the non-resident company supplies goods, services or other property in the course of that non-resident company's trade and it is reasonable to assume that arrangements are in place the main purpose or one of the main purposes of which is to avoid United Kingdom corporation tax.

The basis upon which HM Revenue & Customs will apply the diverted profits tax in practice remains uncertain although it should be noted that there are specific exemptions for United Kingdom investment managers who enter into transactions on behalf of certain overseas persons and in respect of which the Collateral Manager Exemption would apply and a general exemption where the activities of the non-UK resident company in the United Kingdom are carried out by an agent of independent status which is not connected to such non-UK resident company.

Should the Collateral Manager be assessed to diverted profits tax, it will in certain circumstances be entitled to an indemnity from the Issuer. Any payment to be made by the Issuer under this indemnity will be paid as Administrative Expenses of the Issuer as specified in the Interest Proceeds Priorities of Payments, the Principal Proceeds Priority of Payments or the Post-Acceleration Priority of Payments, as applicable. It should be noted that H.M. Revenue & Customs would be entitled to seek to assess the Issuer to any diverted profits tax due directly rather than through the Portfolio Manager as its UK tax representative. Should the Issuer be assessed directly on this basis, the Issuer will be liable to pay such amounts in accordance with Interest Proceeds Priorities of Payments, the Principal Proceeds Priority of Payments, or (save for following the enforcement of security pursuant to Condition 11 (*Enforcement*) and the Trust Deed) the Post-Acceleration Priority of Payments, as applicable.

If United Kingdom diverted profits tax were to be imposed upon the Issuer or upon the Collateral Manager (in its capacity as UK tax representative of the Issuer), then in certain circumstances the Notes may be redeemed (in whole but not in part) at the option of each of the Controlling Class or the Subordinated Noteholders in each case acting by Extraordinary Resolution. See Condition 7(g).

2.21 The Common Reporting Standard

The common reporting standard framework was first released by the OECD in February 2014 as a result of the G20 members endorsing a global model of automatic exchange of information in order to increase international tax transparency. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters was published by the OECD and this includes the Common Reporting Standard (the "**CRS**"). The goal of the CRS is to provide for the annual automatic exchange between governments of financial account information reported to them by local reporting financial institutions (as defined) ("**FIs**") relating to account holders who are tax resident in other participating jurisdictions.

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

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

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

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

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

2.22 Regulated Banking Activity

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

number of jurisdictions have consulted and published guidance on non-bank lending, in many such jurisdictions, there is comparatively little statutory, regulatory or interpretive guidance issued by the competent authorities or other authoritative guidance as to what constitutes the conduct of Regulated Banking Activities in such jurisdictions.

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

2.23 EU Bank Recovery and Resolution Directive

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

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

Resolution Authorities also have the right to amend certain agreements, under applicable laws, regulations and guidance ("**Stay Regulations**"), to ensure stays or overrides of certain termination rights. Such special resolution regimes ("**SRRs**") vary from jurisdiction to

jurisdiction, including differences in their respective implementation dates. In the UK, the Prudential Regulation Authority ("**PRA**") has implemented rules (Appendix 1 to the PRA's policy statement 25/15) which requires relevant institutions to ensure that the discretion of the PRA to temporarily suspend termination and security interests under the relevant SRR is respected by counterparties. Any applicable Stay Regulations may result in the Issuer not being able to immediately enforce liabilities owed by relevant institutions that are subject to "stays" under SRRs.

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

2.24 Preferred creditors under Irish law

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

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

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

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

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

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

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

Depending upon the level of control actually exercised by the chargor, there is therefore a possibility that the fixed security purported to be created by the Trust Deed would be regarded by the Irish courts as a floating charge.

Floating charges have certain weaknesses, including the following:

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

(b) as discussed above, they rank after certain preferential creditors, such as claims of employees and certain taxes on winding-up;

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

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

(e) they rank after fixed charges.

2.25 Examinership

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

The Issuer, the directors, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Issuer, are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to set aside contracts and arrangements entered into by the company after his appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to his appointment.

Furthermore, he may sell assets which are the subject of a fixed charge. However, if such power is exercised he must account to the holders of the fixed charge for the amount realised and discharge the amount due to them out of the proceeds of sale.

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

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. In the case of the Issuer, if the Trustee represented

the majority in number and value of claims within the secured creditor class, the Trustee would be in a position to reject any proposal not in favour of the Noteholders. The Trustee would also be entitled to argue at the relevant Irish Court hearing at which the proposed scheme of arrangement is considered that the proposals are unfair and inequitable in relation to the Noteholders, especially if such proposals include a writing down of the value of amounts due by the Issuer to the Noteholders. The primary risks to the holders of Notes if an examiner were to be appointed in respect of the Issuer are as follows:

(a) the potential for a scheme of arrangement to be approved involving the writing down of the debt owed by the Issuer to the Noteholders as secured by the Trust Deed;

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

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

2.26 Centre of Main Interests

The Issuer has its registered office in Ireland. As a result there is a rebuttable presumption that its centre of main interests ("**COMI**") is in Ireland and consequently that any main insolvency proceedings applicable to it would be governed by Irish law. In the decision by the European Court of Justice ("**ECJ**") in relation to Eurofood IFSC Limited, the ECJ restated the presumption in Council Regulation (EC) No. 1346/2000 of 29 May 2000 on Insolvency Proceedings, that the place of a company's registered office is presumed to be the company's COMI and stated that the presumption can only be rebutted if "factors which are both objective and ascertainable by third parties enable it to be established that an actual situation exists which is different from that which locating it at the registered office is deemed to reflect". As the Issuer has its registered office in Ireland, has Irish directors, is registered for tax in Ireland and has an Irish corporate services provider, the Issuer does not believe that factors exist that would rebut this presumption, although this would ultimately be a matter for the relevant court to decide, based on the circumstances existing at the time when it was asked to make that decision. If the Issuer's COMI is not located in Ireland, and is held to be in a different jurisdiction within the European Union, Irish insolvency proceedings would not be applicable to the Issuer.

3. RELATING TO THE NOTES

3.1 Limited Liquidity and Restrictions on Transfer

Neither the Arranger nor the Placement Agent (or any of their affiliates) is under any obligation to make a market for the Notes. The Notes are illiquid investments. There can be no assurance that any secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the Noteholders with liquidity of investment or that it will continue for the life of such Notes. Consequently, a purchaser must be prepared to hold such Notes for an indefinite period of time or until the Maturity Date. In addition, no sale, assignment, participation, pledge or transfer of the Notes may be effected if, among other things, it would require any of the Issuer or any of their officers or directors to register under,

or otherwise be subject to the provisions of, the Investment Company Act or any other similar legislation or regulatory action. Furthermore, the Notes will not be registered under the Securities Act or any U.S. state securities laws, and the Issuer has no plans, and is under no obligation, to register the Notes under the Securities Act. The Notes are subject to certain transfer restrictions and can be transferred only to certain transferees. See "*Plan of Distribution*" and "*Transfer Restrictions*". Such restrictions on the transfer of the Notes may further limit their liquidity.

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

3.2 Optional Redemption and Market Volatility

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

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

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

The Rated Notes may be redeemed:

(a) in whole from Sale Proceeds and/or Refinancing Proceeds (1) after the expiry of the Non-Call Period, on any Payment Date (or with the Collateral Manager's consent, any Business Day) either (x) at the direction of the Subordinated Noteholders (acting by way of Ordinary Resolution) or (y) at the direction in writing of the Collateral Manager subject to the consent of the Subordinated Noteholders (acting by way of Ordinary Resolution) or (2) following the occurrence of a Collateral Tax Event, on any Payment Date (or with the Collateral Manager's consent, any Business Day) falling after such occurrence either (x) at the direction of the Subordinated Noteholders (acting by way of Ordinary Resolution) or (y) at the direction in writing of the Collateral Manager subject to the consent of the Subordinated Noteholders (acting by way of Ordinary Resolution);

(b) in part by entire Class from Refinancing Proceeds at the applicable Redemption Prices, from any Refinancing Proceeds on any Payment Date (or, with the Collateral Manager's consent, any Business Day) falling on or after the expiry of the Non-Call

Period at the written direction of (x) the Subordinated Noteholders (acting by way of Ordinary Resolution) or (y) the Collateral Manager (*provided that* the Subordinated Noteholders have not (acting by way of Ordinary Resolution) objected to such redemption within 10 Business Days of notice of such redemption being given to Noteholders in accordance with Condition 16 (*Notices*)). Any such redemption shall be of an entire Class or Classes of Notes subject to a number of conditions. See Condition 7(b) (*Optional Redemption*); or

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

in each case subject to certain requirements and conditions set out in the Conditions. See Condition 7 (*Redemption and Purchase*). Investors should carefully review the circumstances and requirements set out in Condition 7 (*Redemption and Purchase*).

As described in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) subject to certain conditions, Refinancing Proceeds may be used in connection with either a redemption in whole of the Rated Notes or a redemption in part of the Rated Notes by Class. See Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*). The U.S. Risk Retention Rules would apply to a Refinancing. As such, the ability of the Issuer and the Noteholders to effect a Refinancing may be impacted. See "*U.S. Risk Retention Requirements*" above.

The Trust Deed provides that the holders of the Subordinated Notes will not have any cause of action against any of the Issuer, the Collateral Manager, the Collateral Administrator or the Trustee for any failure to obtain a Refinancing. If a Refinancing is obtained meeting the requirements of the Trust Deed, the Issuer may amend the Trust Deed and the Trustee shall concur with such amendments to the Trust Deed to the extent the Issuer certifies to the Trustee that such amendments are necessary to reflect the terms of the Refinancing and no further consent for such amendments shall be required from the holders of the Subordinated Notes. No assurance can be given that any such amendments to the Trust Deed or the terms of any Refinancing will not adversely affect the holders of any Class or Classes of Notes not subject to redemption (or, in the case of the Subordinated Notes, the holders of the Subordinated Notes who do not direct such redemption).

The Subordinated Notes may also be redeemed at their Redemption Price, in whole but not in part, on any Payment Date on or after the redemption or repayment in full of the Rated Notes, at the direction of either of (x) the Subordinated Noteholders (acting by way of Extraordinary Resolution) or (y) the Collateral Manager.

The Collateral Manager may also cause the Issuer to redeem the Rated Notes in whole from Sale Proceeds on any Business Day falling on or after the expiry of the Non-Call Period, if the Aggregate Collateral Balance is less than 20 per cent. of the Target Par Amount.

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

Where the Rated Notes are redeemable at the discretion of a transaction party or a particular Class of Noteholders, there is no obligation to consider the interests of any other party or Class of Noteholders when exercising such discretion. Furthermore, where one or more

Classes of Rated Notes are redeemed through a Refinancing, Noteholders should be aware that any such redemption would occur outside of the Note Payment Sequence. In addition Noteholders of a Class of Rated Notes that are redeemed through a Refinancing should be aware that the Applicable Margin of any new notes will be equal to or lower than the Applicable Margin of such Rated Notes immediately prior to such Refinancing.

3.4 The Notes are Subject to Special Redemption at the Option of the Collateral Manager

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

3.5 Mandatory Redemption of the Notes

Certain mandatory redemption arrangements may result in an elimination, deferral or reduction in the interest payments or principal repayments made to the holders of the Rated Notes or the level of the returns to the Subordinated Noteholders, including the breach of any of the Coverage Tests, the Interest Diversion Test or an Effective Date Rating Event. See Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*), Condition 7(d) (*Special Redemption*) and Condition 7(e) (*Redemption upon Effective Date Rating Event*).

3.6 The Reinvestment Period may Terminate Early

The Reinvestment Period may terminate early if, among other things, any of the following occur: (a) acceleration of the Notes following a Note Event of Default or (b) the Collateral Manager certifies the Issuer that it is unable to invest in additional Collateral Debt Obligations in accordance with the Collateral Management Agreement. Early termination of the Reinvestment Period could adversely affect returns to the Subordinated Noteholders and may also cause the holders of Rated Notes to receive principal payments earlier than anticipated.

3.7 The Collateral Manager May Reinvest After the End of the Reinvestment Period

After the end of the Reinvestment Period, the Collateral Manager may continue to reinvest Unscheduled Principal Proceeds received in respect of Collateral Debt Obligations and the Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations, subject to certain conditions set forth in the Collateral Management Agreement. See "*The Portfolio — Management of the Portfolio —Reinvestment of Collateral Debt Obligations — Following Expiry of the Reinvestment Period*" below. Reinvestment of Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations will likely have the effect of extending the Weighted Average Life of the Collateral Debt Obligations and the average lives of the Notes.

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

(a) Additional Issuance

At any time, subject to certain conditions set out in Condition 17 (*Additional Issuance*) including but not limited to the prior approval of the Retention Holder, the Issuer may issue and sell additional Notes and use the net proceeds to acquire Collateral Debt Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Debt Obligations or (in the case of an issuance of additional Subordinated Notes) to be applied as Interest Proceeds. See Condition 17 (*Additional Issuance*).

(b) Redirection of funds to reinvestment

The Collateral Manager may, pursuant to the Priorities of Payments, redirect funds (including by deferring or waiving payment of some or all of its Collateral Management Fees) to be applied toward the acquisition of additional Collateral Debt Obligations or other Permitted Uses.

(c) Collateral Manager Advances

The Collateral Manager may make Collateral Manager Advances pursuant to Condition 3(k)(xv) (*Collateral Manager Advances*) from time to time to the extent there are insufficient sums standing to the credit of the Collateral Enhancement Account to purchase or exercise rights under Collateral Enhancement Debt Obligations which the Collateral Manager determines on behalf of the Issuer should be purchased or exercised; *provided that* no Collateral Manager Advance may be for an amount less than €500,000 and no more than 5 Collateral Manager Advances shall be permitted. Outstanding Collateral Manager Advances may accrue interest at a rate of EURIBOR plus 2.0 per cent. per annum.

3.9 Limited Recourse Obligations

The Notes are limited recourse obligations of the Issuer and are payable solely from amounts received in respect of the Collateral securing the Notes. Payments on the Notes both prior to and following enforcement of the security over the Collateral are subordinated to the prior payment of certain fees and expenses of, or payable by, the Issuer and to payment of principal and interest on prior ranking Classes of Notes. See Condition 4(c) (*Limited Recourse and Non-Petition*). None of the Collateral Manager, the Noteholders of any Class, the Placement Agent, the Arranger, the Retention Holder, the Trustee, the Collateral Administrator, the Custodian, any Agent, any Hedge Counterparty or any Affiliates of any of the foregoing or the Issuer's Affiliates or any other person or entity (other than the Issuer) will be obliged to make payments on the Notes of any Class. Consequently, Noteholders must rely solely on distributions on the Collateral Debt Obligations and other Collateral securing the Notes for the payment of principal, discount, interest and premium, if any, thereon. There can be no assurance that the distributions on the Collateral Debt Obligations and other Collateral securing the Notes will be sufficient to make payments on any Class of Notes after making payments on more senior Classes of Notes and certain other required amounts to other creditors ranking senior to or *pari passu* with such Class pursuant to the Priorities of Payments. If distributions on the Collateral are insufficient to make payments on the Notes, no other assets (and, in particular, no assets of the Collateral Manager, the Noteholders, the Placement Agent, the Retention Holder, the Trustee, the Collateral Administrator, the Custodian, any Agent, any Hedge Counterparty or any Affiliates of any of the foregoing) will be available for payment of the deficiency and following realisation of the Collateral and the application of the proceeds thereof in accordance with the Priorities of Payments, the obligations of the Issuer to pay such deficiency shall be extinguished. Such shortfall will be borne (as amongst the Noteholders) by (a) firstly, the Subordinated Noteholders; (b) secondly,

the Class F Noteholders; (c) thirdly, the Class E Noteholders; (d) fourthly, the Class D Noteholders; (e) fifthly, the Class C Noteholders; (f) sixthly, the Class B Noteholders; and (g) lastly, the Class A Noteholders, in each case in accordance with the Priorities of Payments.

In addition, at any time while the Notes are Outstanding, none of the Noteholders nor the Trustee nor any other Secured Party (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of any bankruptcy, reorganisation, arrangement, insolvency, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer relating to the Notes, the Trust Deed or otherwise owed to the Noteholders, save for lodging a claim in the liquidation of the Issuer which is initiated by another party (which is not an Affiliate of such party) or taking proceedings to obtain a declaration as to the obligations of the Issuer nor shall any of them have a claim arising in respect of the share capital of the Issuer.

3.10 Failure of a Court to Enforce Non-Petition Obligations will Adversely Affect Noteholders

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

3.11 Subordination of the Notes

Except as described below, the Class B Notes are fully subordinated to the Class A Notes, the Class C Notes are fully subordinated to the Class A Notes and the Class B Notes, the Class D Notes are fully subordinated to the Class A Notes, the Class B Notes and the Class C Notes, the Class E Notes are fully subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Class F Notes are fully subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, and the Subordinated Notes are fully subordinated to the Rated Notes.

The payment of principal and interest on any other Classes of Notes may not be made until all payments of principal and interest due and payable on any Classes of Notes ranking in priority thereto pursuant to the Priorities of Payments have been made in full. Payments on the Subordinated Notes will be made by the Issuer to the extent of available funds and no payments thereon will be made until the payment of certain fees and expenses have been made and until interest on the Rated Notes has been paid and, subject always to the right of the Collateral Manager on behalf of the Issuer to transfer amounts which would have been payable on the Subordinated Notes to the Collateral Enhancement Account to be applied in the acquisition of Collateral Debt Obligations or in the acquisition or exercise of rights under Collateral Enhancement Debt Obligations and the requirement to transfer amounts to the Principal Account in the event that the Interest Diversion Test is not met. Notwithstanding the above, Collateral Enhancement Debt Obligation Proceeds may be distributed to the Subordinated Noteholders on a Payment Date on which scheduled interest on the Rated Notes is not paid in full.

Non-payment of any Interest Amount due and payable in respect of the Class A Notes or the Class B Notes or, following redemption and payment in full of the Class A Notes and the Class B Notes (and following the occurrence of a Frequency Switch Event), non-payment of any Interest Amount due and payable in respect of the Class C Notes or following redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes (and following the occurrence of a Frequency Switch Event), non-payment of any Interest Amount due and payable in respect of the Class D Notes, or following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes (and following the occurrence of a Frequency Switch Event), non-payment of any Interest Amount due and payable in respect of the Class E Notes, or following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes (and following the occurrence of a Frequency Switch Event), non-payment of any Interest Amount due and payable in respect of the Class F Notes will, in each case, constitute a Note Event of Default (where such non-payment continues for a period of at least five Business Days or seven Business Days in the case of an administrative error or omission). In such circumstances, the Controlling Class, acting by Ordinary Resolution, may request the Trustee to accelerate the Notes pursuant to Condition 10 (*Events of Default*).

In the event of any acceleration by the Controlling Class pursuant to the Conditions, all other Classes of Notes will also be subject to automatic acceleration and the Collateral will, in each case, be liquidated. Liquidation of the Collateral at such time or remedies pursued by the Trustee upon enforcement of the security over the Collateral could be adverse to the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders or the Subordinated Noteholders, as the case may be. To the extent that any losses are incurred by the Issuer in respect of any Collateral, such losses will be borne first by the Noteholders. Remedies pursued on behalf of the Class A Noteholders could be adverse to the interests of the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class B Noteholders could be adverse to the interests of the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class C Noteholders could be adverse to the interests of the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class D Noteholders could be adverse to the interests of the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class E Noteholders could be adverse to the interests of the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class F Noteholders could be adverse to the interest of the Subordinated Noteholders.

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

3.12 Calculation of Rate of Interest

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

If a EURIBOR screen rate does not appear, or the relevant page is unavailable, and the Calculation Agent is unable to select Reference Banks to provide quotations in the manner described in Condition 6(e)(i)(B) (*Floating Rate of Interest*), the relevant Rate of Interest in respect of such Payment Date shall be determined, pursuant to Condition 6(e)(i)(C) (*Floating Rate of Interest*), as the Rate of Interest in effect as at the immediately preceding Accrual Period that was determined by reference to a EURIBOR screen rate or through quotations provided by four Reference Banks provided that, in respect of any Accrual Period during which a Frequency Switch Event occurs, the relevant Rate of Interest shall be calculated using the offered rate for six month Euro deposits using the rate available as at the previous Interest Determination Date (*provided further that* if following the occurrence of a Frequency Switch Event, the Accrual Period ending on the Maturity Date is a three month period, the relevant Rate of Interest shall be calculated using the offered rate for three month Euro deposits using the most recent rate obtainable by the Calculation Agent in its reasonable opinion). To the extent interest amounts in respect of the Notes are determined by reference to a previously calculated rate, Noteholders may be adversely affected. In such circumstances, neither the Calculation Agent nor the Trustee shall have any obligation to determine the Rate of Interest on any other basis.

3.13 Amount and Timing of Payments

Subject to Condition 6(c)(i) (*Deferred Interest*), to the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes are not made on a relevant Payment Date, such unpaid interest amounts will be deferred and the amount thereof added to the principal amount Outstanding of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as the case may be, and earn interest at the interest rate applicable to such Notes. Any failure to pay scheduled interest on the Class C Notes, (and following the occurrence of a Frequency Switch Event, so long as the Class A Notes and the Class B Notes are Outstanding), or to pay scheduled interest on the Class D Notes, (and following the occurrence of a Frequency Switch Event, so long as the Class C Notes are Outstanding), or to pay scheduled interest on the Class E Notes, (and following the occurrence of a Frequency Switch Event, so long as the Class D Notes are Outstanding), or to pay scheduled interest on the Class F Notes, (and following the occurrence of a Frequency Switch Event, so long as the Class E Notes are Outstanding), or to pay interest and principal on the Subordinated Notes at any time, due to there being insufficient funds available to pay such interest in accordance with the applicable Priority of Payments, will not be an Event of Default. Payments of interest and principal on the Subordinated Notes will only be made to the extent that there are Interest Proceeds and Principal Proceeds available for such purpose in accordance with the Priorities of Payments. No interest or principal may therefore be payable on the Subordinated Notes for an unlimited period of time, to maturity or at all.

Investment in the Notes of any Class involves a degree of risk arising from fluctuations in the amount and timing of receipt of the principal and interest on the Collateral Debt Obligations by or on behalf of the Issuer and the amounts of the claims of creditors of the Issuer ranking in priority to the holders of each Class of the Notes. In particular, prospective purchasers of such Notes should be aware that the amount and timing of payment of the principal and interest on the Collateral Debt Obligations will depend upon the detailed terms of the

documentation relating to each of the Collateral Debt Obligations and on whether or not any Obligor thereunder defaults in its obligations.

3.14 Reports Provided by the Collateral Administrator Will Not Be Audited

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

3.15 Ratings of the Notes Not Assured and Limited in Scope

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

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

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

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

Rating Agencies may refuse to give rating agency confirmations

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

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

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

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

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

Under Rule 17g-5, rating agencies providing the requisite certifications described above may issue unsolicited ratings of the Rated Notes (the "**Unsolicited Ratings**") which may be lower and, in some cases, significantly lower than the ratings provided by the Rating Agencies. The Unsolicited Ratings may be issued prior to, on or after the Issue Date and will not be reflected herein. Issuance of any Unsolicited Rating will not affect the issuance of the Notes. A rating agency that has reviewed the transaction may have a fundamentally different methodology or

approach to or opinion of the structure or the nature or quality of all or some of the underlying Collateral Debt Obligations which may result in a view or rating which differs significantly from the ratings assigned by the Rating Agencies. Issuance of an Unsolicited Rating lower than the ratings assigned by the Rating Agencies on the applicable Rated Notes might adversely affect the liquidity and market value of the Rated Notes and, for regulated entities, could adversely affect the value of the Rated Notes as an investment or the capital treatment of the Rated Notes.

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

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

The SEC adopted Rule 15Ga-2 and Rule 17g-10 to the United States Securities Exchange Act of 1934, on 27 August 2014, which require certain filings or certifications to be made in connection with the performance of "due diligence services" for rated asset-backed securities on or after 15 June 2015. Under Rule 17g-10, a provider of third-party due diligence services must provide to each nationally recognised statistical rating organisation that is rating the applicable transaction, a written certification in a prescribed form (which obligation may be satisfied if the Issuer posts such certification in the required form to the Rule 17g-5 website referred to above, maintained in connection with the transaction). In connection with the Effective Date, the Collateral Management Agreement requires an accountant's agreed upon procedures report to be delivered to the Issuer and the Collateral Manager, and portions of this report may constitute "due diligence services" under Rule 17g-10. Although the Issuer has agreed to post any certification in the required form that it receives in respect of such portion of such report to the Rule 17g-5 website, it is unclear what, if any, other services provided or to be provided by third parties to the Issuer in connection with the transaction described in this Prospectus, would constitute "due diligence services" under Rule 17g-10, and consequently, no assurance can be given as to whether any certification will be posted by the Issuer or delivered by any applicable third party service provider to the Rating Agencies in circumstances where such certification is deemed to have been required under the rules. If the Issuer or any third party that provides due diligence services to the Issuer does not comply with its obligations under Rule 17g-10, the Rating Agencies may withdraw (or fail to confirm) their ratings of the Notes. In such case, the price or transferability of the Notes (and any beneficial owner of Notes that relies on ratings of securities for regulatory or other compliance purposes) may be adversely affected.

3.16 Average Life and Prepayment Considerations

The Maturity Date of the Notes is the Payment Date falling in February 2030 (subject to adjustment for non-Business Days); however, the principal of the Notes of each Class is expected to be repaid in full prior to the Maturity Date. Average life refers to the average amount of time that will elapse from the date of delivery of a Note until each Euro of the principal of such Note will be paid to the investor. The average lives of the Notes will be determined by the amount and frequency of principal payments, which are dependent upon, among other things, the amount of payments received at or in advance of the scheduled maturity of the Collateral Debt Obligations (whether through sale, maturity, redemption, default or other liquidation or disposition). The actual average lives and actual maturities of the Notes will be affected by the financial condition of the obligors of the underlying Collateral Debt Obligations and the characteristics of such assets, including the existence and frequency of exercise of any optional or mandatory redemption features, the prevailing level of interest rates, the redemption price, any prepayment fees, the actual default rate, the actual level of recoveries on any Defaulted Obligations and the timing of defaults and recoveries, and the frequency of tender or exchange offers for such Collateral Debt Obligations.

Collateral Debt Obligations may be subject to optional prepayment by the Obligor of such loans. Any disposition of a Collateral Debt Obligation may change the composition and characteristics of the remaining Portfolio and the rate of payment thereon and, accordingly, may affect the actual average lives of the Notes. The rate of and timing of future defaults and the amount and timing of any cash realisation from Defaulted Obligations also will affect the maturity and average lives of the Notes.

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

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

3.17 Volatility of the Subordinated Notes

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

In addition, the failure to meet certain Coverage Tests and/or the Interest Diversion Test will result in cash flow that may have been otherwise available for distribution to the Subordinated Notes, to pay interest on one or more subordinate Classes of Rated Notes or for reinvestment in Collateral Debt Obligations being applied on the next Payment Date to make principal payments on the more senior classes of Rated Notes until such Coverage Tests and/or the Interest Diversion Test have been satisfied. This feature will likely reduce the return on the Subordinated Notes and/or one or more subordinate Classes of Rated Notes and cause temporary or permanent suspension of distributions to the Subordinated Notes and/or one or more subordinate Classes of Rated Notes. See 3.5 "*Mandatory Redemption of the Notes*" above.

Issuer expenses (including management fees) are generally based on a percentage of the total asset portfolio of the Issuer, including the assets obtained through the use of leverage. Given

the leveraged capital structure of the Issuer, expenses attributable to the Subordinated Notes will be higher because such expenses will be based on total assets of the Issuer.

3.18 Net Proceeds less than Aggregate Amount of the Notes

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

3.19 Withholding Tax on the Notes

Although no withholding tax is expected to be imposed on payments of interest on the Notes, there can be no assurance that the law will not change.

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

In the event of the occurrence of a Note Tax Event pursuant to which any payment on the Notes of any Class becomes properly subject to any withholding tax or deduction on account of tax, the Notes may be redeemed in whole but not in part at the direction of the holders of each of the Controlling Class or the Subordinated Notes, in each case acting by way of Extraordinary Resolution, subject to certain conditions including a threshold test pursuant to which determination is made as to whether the anticipated proceeds of liquidation of the security over the Collateral would be sufficient to pay all amounts due and payable on the Rated Notes in such circumstances in accordance with the Priorities of Payments.

3.20 Security

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

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

including custody liens imposed by standard custody terms at various stages in the chain of intermediary ownership of such Collateral Debt Obligations.

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

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

3.21 Resolutions, Amendments and Waivers

The Conditions and the Trust Deed contain detailed provisions governing modification of the Conditions and the Transaction Documents and the convening of meetings and passing of Resolutions by the Noteholders. Certain key risks relating to these provisions are summarised below. However, all of the following discussion is subject to the provision in Condition 14(b)(xi) (*Retention Holder Veto*), that provided no Retention Event has occurred and is continuing, no modification nor any Resolution to approve the modification of the Eligibility Criteria, the Portfolio Profile Tests, the Collateral Quality Tests, the Reinvestment Criteria or any material changes to them nor the appointment of a replacement Collateral Manager (other than a replacement Collateral Manager appointed upon the removal of the Retention Holder or any Affiliate of the Retention Holder) will be effective without the consent in writing of the Retention Holder.

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

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

In the event that a meeting of Noteholders is called to consider a Resolution, determination as to whether the requisite number of Notes has been voted in favour of such Resolution will be determined by reference to the percentage which the Notes voted in favour represent of the total amount of Notes voted in respect of such Resolution and not the aggregate Principal Amount Outstanding of all such Notes held or represented by any person or persons entitled to vote at such meeting and are voted. This means that a lower percentage of Noteholders may pass a Resolution (other than a Unanimous Resolution) which is put to a meeting of Noteholders than would be required for a Written Resolution in respect of the same matter.

There are, however, quorum provisions which provide that a minimum number of Noteholders representing a minimum amount of the aggregate Principal Amount Outstanding of the applicable Class or Classes of Notes be present at any meeting to consider an Extraordinary Resolution, an Ordinary Resolution or a Unanimous Resolution. In the case of an Extraordinary Resolution, this is one or more persons holding or representing not less than 66 2/3 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or the relevant Class or Classes only, if applicable), in the case of an Ordinary Resolution this is one or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or the relevant Class or Classes only, if applicable) and in the case of a Unanimous Resolution this is one or more persons holding or representing not less than 100 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or the relevant Class or Classes only, if applicable). Such quorum provisions still, however, require considerably lower thresholds than would be required for a Written Resolution (other than in respect of a Unanimous Resolution). In addition, in the event that a quorum requirement is not satisfied at any meeting, other than in the case of a Unanimous Resolution meeting, lower quorum thresholds will apply at any meeting previously adjourned for want of quorum as set out in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and in the Trust Deed.

Notes that are in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes will have no right to vote in connection with and will not be counted for the purposes of determining a quorum or the result of voting on any CM Removal Resolution or any CM Replacement Resolution. Notes held by or on behalf of the Collateral Manager or its Affiliates, shall have no voting rights with respect to, and shall not be counted for the purposes of determining a quorum and the results of voting on any CM Removal Resolution or CM Replacement Resolution.

Class A Notes, Class B Notes, Class C Notes and Class D Notes in the form of CM Voting Notes may form a small percentage of the Controlling Class (or other relevant Class or Classes) and/or be held by a concentrated group of Noteholders. Investors should be aware that such CM Voting Notes will be entitled to vote to pass a CM Removal Resolution and a CM Replacement Resolution and the remaining percentage of the Controlling Class (or other relevant Class or Classes) held in the form of CM Non-Voting Notes and/or CM Non-Voting Exchangeable Notes will be bound by such resolution. Holders of the CM Voting Notes may have interests that differ from other holders of Class A Notes, Class B Notes, Class C Notes and Class D Notes and may seek to profit or seek direct benefits from their voting rights. The entire Class of Subordinated Notes may also be held by a concentrated group of Noteholders. Investors should also be aware that such group of Noteholders would in such circumstances exercise effective control over the exercise of rights granted to Subordinated Noteholders as a Class pursuant to the Conditions and the Trust Deed and may have interests that differ from other Noteholders and may seek to profit or seek direct benefits from their effective control over the exercise of such rights.

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

Similarly, investors in the other Classes of Notes should be aware that if there are no Notes in their Class that would be entitled to vote and be counted in respect of a CM Removal Resolution or CM Replacement Resolution such right shall pass to a more junior Class of Notes.

Certain amendments and modifications may be made without the consent of Noteholders. See Condition 14(c) (*Modification and Waiver*). Such amendment or modification could be adverse to certain Noteholders.

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

In addition to the Trustee's right to agree to changes to the Transaction Documents to correct a manifest error, or to changes which, in its opinion, are not materially prejudicial to the interests of the Noteholders of any Class without the consent of the Noteholders, the Trustee shall be obliged to consent to modifications and waivers granted in respect of certain other matters, subject to prior notice thereof being given to the Trustee, without the consent of the Noteholders as set out in Condition 14(c) (*Modification and Waiver*).

Each Hedge Counterparty may also need to be notified and its consent required to the extent provided for in the applicable Hedge Agreement in respect of a modification, amendment or supplement to any provision of the Transaction Documents. Any such consent, if withheld, may prevent the modification of the Transaction Documents which may be beneficial to or in the best interests of the Noteholders.

3.22 Concentrated Ownership of One or More Classes of Notes

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

3.23 Enforcement Rights Following a Note Event of Default

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

At any time after the Notes become due and repayable and the security under the Trust Deed becomes enforceable, the Trustee may, at its discretion, and shall, if so directed by the Controlling Class acting by Ordinary Resolution (subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), take Enforcement Action (as defined in the Conditions) in respect of the security over the Collateral provided that no such Enforcement Action may be taken by the Trustee unless: (A) it determines that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes other than the Subordinated Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, the Class E

Notes and the Class F Notes) and all amounts payable in priority thereto pursuant to the Priorities of Payments; (B) otherwise, in the case of a Note Event of Default specified in sub-paragraphs (i), (ii), or (iv) of Condition 10(a) (*Note Events of Default*) the Controlling Class acting by way of Ordinary Resolution (and no other Class of Notes) may direct the Trustee to take Enforcement Action without regard to any other Note Event of Default which has occurred prior to, contemporaneously or subsequent to such Note Event of Default; or (C) in the case of any other Note Event of Default, each Class of Rated Notes acting independently by way of Ordinary Resolution may direct the Trustee to take Enforcement Action (subject to being indemnified and/or secured and/or prefunded to its satisfaction).

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

3.24 Certain ERISA Considerations

Under a regulation of the U.S. Department of Labor, as modified by Section 3(42) of ERISA, if certain employee benefit plans or other retirement arrangements subject to the fiduciary responsibility provisions of Title 1 of the U.S. Employee Retirement Income Security Act of 1974, as amended, ("**ERISA**") or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, (the "**Code**") or entities whose underlying assets are treated as assets of such plans or arrangements (collectively, "**Plans**") invest in a Class of Notes that is treated as equity under the regulation (which could include the Class E Notes, the Class F Notes or the Subordinated Notes), the assets of the Issuer could be considered to be assets of such Plans and certain of the transactions contemplated under such Notes could be considered "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code. See the section entitled "*Certain ERISA Considerations*" below.

3.25 Forced Transfer

Each initial purchaser of an interest in a Rule 144A Note and each transferee of an interest in a Rule 144A Note will be deemed to represent at the time of purchase that, amongst other things, the purchaser is both a QIB and a QP. In addition each Noteholder will be deemed or in some cases required to make certain representations in respect of ERISA. The Trust Deed provides that if, notwithstanding the restrictions on transfer contained therein, the Issuer determines that any holder of an interest in a Rule 144A Note is a U.S. person as defined under Regulation S under the Securities Act (a "**U.S. Person**") and is not both a QIB and a QP at the time it acquires an interest in a Rule 144A Note (any such person, a "**Non-Permitted Holder**") or a Noteholder is a Non-Permitted ERISA Holder, the Issuer may, promptly after determination that such person is a Non-Permitted Holder or Non-Permitted ERISA Holder by the Issuer, send notice to such Non-Permitted Holder or Non-Permitted ERISA

Holder (as applicable) demanding that such Holder transfer its interest outside the United States to a non-U.S. Person or to a person that is not a Non-Permitted Holder or Non-Permitted ERISA Holder (as applicable) within 30 days (or 10 days in the case of a Non-Permitted ERISA Holder) of the date of such notice. If such Holder fails to effect the transfer required within such 30-day period (or 10-day period in the case of a Non-Permitted ERISA Holder), (a) upon direction from the Issuer or the Collateral Manager on its behalf, a Transfer Agent, on behalf of and at the expense of the Issuer, shall cause such beneficial interest to be transferred in a sale to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB and a QP and is not a

Non-Permitted ERISA Holder (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

In addition, under FATCA, the Issuer may require each Noteholder (which may include a nominee or beneficial owner of a Note for these purposes) to provide certifications and identifying information about itself and certain of its owners. The Issuer may force the sale of a Noteholder's Notes in order to comply with FATCA, including Notes held by a Noteholder that fails to provide the required information (and such sale could be for less than its then fair market value). In addition, the failure to provide such information, or the failure of certain non U.S. financial institutions to comply with FATCA, may compel the Issuer to withhold on payments to such holders (and the Issuer will not pay any additional amounts with respect to such withholding). See Condition 2(i) (*Forced Sale Pursuant to FATCA*).

3.26 U.S. Tax Risks

Changes in tax law; imposition of tax on Non-U.S. Holders

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

U.S. trade or business

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

FATCA

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income paid on certain of its assets, and after 31 December 2018, on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into between the United States and Ireland, the Issuer will not be subject to withholding under FATCA if it complies with Irish regulations that require the Issuer to

provide the name, address, and taxpayer identification number of, and certain other information with respect to, certain Holders of Notes to the Office of the Revenue Commissioners of Ireland, which would then provide this information to the IRS. There can be no assurance that the Issuer will be able to comply with these regulations. Moreover, the intergovernmental agreement or the Irish implementing regulations could be amended to require the Issuer to withhold on "passthru" payments to Holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

If a Holder fails to provide the Issuer or its agents with any correct, complete and accurate information that may be required for the Issuer to comply with FATCA and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer, or if the Holder's ownership of any Notes would otherwise cause the Issuer to be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise distributable to the Holder, to compel the Holder to sell its Notes, and, if the Holder does not sell its Notes within 10 business days after notice from the Issuer, to sell the Holder's Notes on behalf of the Holder. See Condition 2(i) (*Forced Sale Pursuant to FATCA*).

Possible treatment of the Class E Notes and Class F Notes as equity in the Issuer for U.S. federal income tax purposes

The Class E Notes and Class F Notes could be treated as representing equity in the Issuer for U.S. federal income tax purposes. If the Class E Notes or Class F Notes are so treated, gain on the sale of a Class E Note or Class F Note could be treated as ordinary income and subject to an additional tax in the nature of interest, and certain interest on the Class E Notes or Class F Notes could be subject to the additional tax. U.S. Holders (as defined in "*Tax Considerations - Certain U.S. Federal Income Tax Considerations*") may be able to avoid these adverse consequences by filing a protective "qualified electing fund" election with respect to their Class E Notes and Class F Notes. See "*Tax Considerations—Certain U.S. Federal Income Tax Considerations - U.S. Federal Tax Treatment of U.S. Holders of Rated Notes - Possible Treatment of Class E Notes and Class F Notes as Equity for U.S. Federal Income Tax Purposes*."

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

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

4. RELATING TO THE COLLATERAL

4.1 The Portfolio

The decision by any prospective holder of Notes to invest in such Notes should be based, among other things (including, without limitation, the identity of the Collateral Manager), on the Eligibility Criteria (and Reinvestment Criteria, when applicable) which each Collateral Debt Obligation is required to satisfy, as disclosed in this Prospectus, and on the Portfolio Profile Tests, Collateral Quality Tests, Coverage Tests and Target Par Amount that the Portfolio is required to satisfy as at the Effective Date (other than in respect of the Interest Coverage Tests, which are required to be satisfied as of the Determination Date immediately preceding the second Payment Date) and in each case (save as described herein) thereafter. This Prospectus does not contain any information regarding the individual Collateral Debt Obligations on which the Notes will be secured from time to time. Purchasers of any of the

Notes will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by the Issuer and, accordingly, will be dependent upon the judgment and ability of the Collateral Manager in acquiring investments for purchase on behalf of the Issuer over time. No assurance can be given that the Issuer will be successful in obtaining suitable investments or that, if such investments are made, the objectives of the Issuer will be achieved.

None of the Issuer, the Placement Agent or the Arranger has made any investigation into the Obligors of the Collateral Debt Obligations. The value of the Portfolio may fluctuate from time to time (as a result of substitution or otherwise) and none of the Issuer, the Trustee, the Placement Agent, the Arranger, the Retention Holder, the Custodian, the Collateral Manager, the Collateral Administrator, any other Agents, any Hedge Counterparty, or any of their Affiliates are under any obligation to maintain the value of the Collateral Debt Obligations at any particular level. None of the Issuer, the Trustee, the Placement Agent, the Arranger, the Custodian, the Collateral Manager, the Collateral Administrator, any Hedge Counterparty, the Retention Holder or any of their Affiliates has any liability to the Noteholders as to the amount or value of, or any decrease in the value of, the Collateral Debt Obligations from time to time.

Furthermore, pursuant to the Collateral Management Agreement, and subject to and in accordance with the standard of care specified therein, the Collateral Manager is required to carry out due diligence to satisfy itself that the Eligibility Criteria will be satisfied prior to the entry by the Issuer (or the Collateral Manager (acting on behalf of the Issuer)) into a commitment to purchase an asset intended to constitute a Collateral Debt Obligation and that the Issuer will, upon the settlement of such purchase, become the legal and beneficial holder of such Collateral Debt Obligations in accordance with the terms of the relevant Underlying Instrument and all applicable laws. Noteholders are reliant on the Collateral Manager conducting such due diligence in a manner which ensures that the Collateral Debt Obligations are properly and effectively transferred and satisfy each of the Eligibility Criteria.

4.2 Nature of Collateral; Defaults

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

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

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

The subordination levels of each Class of Notes will be established to withstand certain assumed deficiencies in payment caused by defaults on the related Collateral Debt

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

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

4.3 Acquisition of Collateral Debt Obligations Prior to the Issue Date

On behalf of the Issuer, the Collateral Manager has acquired, and will continue to enter into binding commitments to acquire, Collateral Debt Obligations prior to the Issue Date (such Collateral Debt Obligations, the "**Warehoused Assets**"; such period, the "**Warehouse Period**") pursuant to a financing arrangement (the "**Warehouse Arrangements**"). The Warehouse Arrangements were provided by an affiliate of the Placement Agent as a senior lender and an affiliate of the Collateral Manager and two other third parties as preference shareholder (the "**Warehouse Providers**"). Some of the Collateral Debt Obligations may have been acquired from the Warehouse Providers. The Warehouse Arrangements will be terminated on the Issue Date, and all amounts owing to the Warehouse Providers in connection with such arrangements will be repaid by the Issue Date, including from the proceeds of the issuance of the Notes.

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

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

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

In addition, any interest or other amounts paid or accrued on such Collateral Debt Obligations during the period prior to the Issue Date will be paid to the Warehouse Providers on the Issue Date. Investors in the Notes will be assuming the risk of market value and credit quality changes in the Collateral Debt Obligations from the date such Collateral Debt Obligations are acquired during the period prior to the Issue Date but will not receive the benefit of interest earned on the Collateral Debt Obligations during such period*; provided that* any risk in relation to any Collateral Debt Obligations which are ineligible collateral as at the Issue Date or which do not satisfy the Eligibility Criteria as at the Issue Date shall be borne by the Warehouse Providers; *provided further that* any net (realised and unrealised) gains and/or losses in respect of the Collateral Debt Obligations acquired prior to the Issue Date will be for the account of the Warehouse Providers.

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

The requirement that the Eligibility Criteria be satisfied applies only at the time that any commitment to purchase a Collateral Debt Obligation is entered into and any failure by such obligation to satisfy the Eligibility Criteria at a later stage will not result in any requirement to sell it or take any other action.

The prices of the Notes will be fixed on the date on which the Notes are priced (the "**Pricing Date**"). The actual purchase prices of assets in the initial portfolio will not be fully known on the Pricing Date and may be higher or lower than the purchase prices expected on the Pricing Date. Actual purchase prices of assets purchased on and after the Pricing Date and Collateral Debt Obligations purchased on or after the Issue Date may cause returns on the Subordinated Notes to be materially different from the expected returns calculated based upon market prices prevailing as of the Pricing Date.

4.4 Considerations Relating to the Initial Investment Period

During the Initial Investment Period, the Collateral Manager on behalf of the Issuer, will seek to acquire additional Collateral Debt Obligations in order to satisfy, as at the Effective Date, the Target Par Amount, each of the Coverage Tests (other than in respect of the Interest Coverage Tests, which are required to be satisfied on and after the Determination Date immediately preceding the second Payment Date), the Collateral Quality Tests and each of the Portfolio Profile Tests. See "*The Portfolio*" section of this Prospectus. The ability to satisfy such tests and requirement will depend on a number of factors beyond the control of the Issuer and the Collateral Manager, including the availability of obligations that satisfy the Eligibility Criteria and other Portfolio related requirements in the primary and secondary loan markets, the condition of the financial markets, general economic conditions and international political events. Therefore, there can be no assurance that such tests and requirements will be met. In addition, the ability of the Issuer to enter into Asset Swap Transactions upon the acquisition of Non-Euro Obligations will depend upon a number of factors outside the control of the Collateral Manager, including its ability to identify a suitable Asset Swap Counterparty with whom the Issuer may enter into Asset Swap Transactions. See also "*European Market Infrastructure Regulation*" above. To the extent it is not possible to purchase such additional Collateral Debt Obligations, the level of income receivable by the Issuer on the Collateral, and therefore its ability to meet its interest payment obligations under the Notes, may be

adversely affected. Such inability to invest may also shorten the weighted average lives of the Notes as it may lead to early redemption of the Notes. To the extent such additional Collateral Debt Obligations are not purchased, the level of income receivable by the Issuer on the Collateral and therefore its ability to meet its interest payment obligations under the Notes, together with the weighted average lives of the Notes, may be adversely affected. Any failure by the Collateral Manager (on behalf of the Issuer) to acquire such additional Collateral Debt Obligations and/or enter into required Asset Swap Transactions during such period could result in the non-confirmation or downgrade or withdrawal by any Rating Agency of its Initial Rating of any Class of Notes. Such non-confirmation, downgrade or withdrawal may result in the redemption of the Notes, shortening their weighted average life and reducing the leverage ratio of the Subordinated Notes to the other Classes of Notes which could adversely affect the level of returns to the holders of the Subordinated Notes. Any such redemption of the Notes may also adversely affect the risk profile of other Classes of Notes in addition to the Subordinated Notes to the extent that the amount of excess spread capable of being generated in the transaction reduces as the result of redemption of the most senior ranking Classes of Notes in accordance with the Note Payment Sequence which bear a lower rate of interest than the remaining Classes of Rated Notes.

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

4.5 Prepayment Risk

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

4.6 Defaults and Recoveries

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

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

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

Recoveries on Senior Obligations, Second Lien Loans and Mezzanine Obligations will also be affected by the different bankruptcy regimes applicable in different European jurisdictions and the enforceability of claims against the Obligors thereunder. See 4.21 (*Insolvency Considerations relating to Collateral Debt Obligations*) below.

For the purpose of the "*Risk Factors*" section, "**Senior Obligations**" means Senior Secured Loans, Senior Secured Bonds and Senior Unsecured Obligations.

4.7 Underlying Portfolio

Characteristics of Senior Loans, Senior Secured Bonds and Mezzanine Obligations

The Portfolio Profile Tests provide that as of the Effective Date, not less than 90 per cent. of the Aggregate Collateral Balance must consist of Senior Secured Loans and Senior Secured Bonds in aggregate (which shall comprise for this purpose the aggregate of the Aggregate Collateral Balance of the Senior Secured Loans and Senior Secured Bonds and the balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date) and not less than 70 per cent. of the Aggregate Collateral Balance must consist of Senior Secured Loans (which shall comprise for this purpose the aggregate of the Aggregate Collateral Balance of the Senior Secured Loans and the balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date). Senior Obligations are of a type

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

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

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

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

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

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

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

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

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

Increased Risks for Mezzanine Obligations

The fact that Mezzanine Obligations are generally subordinated to any Senior Loan and potentially other indebtedness of the relevant Obligor thereunder, may have a longer maturity than such other indebtedness and will generally only have a second ranking security interest

over any security granted in respect thereof, increases the risk of non-payment thereunder of such Mezzanine Obligations in an enforcement situation.

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

Investing in Cov-Lite Loans involves certain risks

The Issuer or the Collateral Manager acting on its behalf may purchase Collateral Debt Obligations which are Cov-Lite Loans. Cov-Lite Loans typically do not have Maintenance Covenants. Ownership of Cov-Lite Loans may expose the Issuer to different risks, including with respect to liquidity, price volatility and ability to restructure loans, than is the case with loans that have Maintenance Covenants. In addition, the lack of Maintenance Covenants may make it more difficult for lenders to trigger a default in respect of such obligations. This may make it more likely that any default arising under a Cov-Lite Loan will arise at a time when the relevant Obligor is in a greater degree of financial stress. Such a delay may make a successful restructuring more difficult to achieve and/or result in a greater reduction in the value of the Cov-Lite Loans as a consequence of any restructuring effected in such circumstances.

Characteristics of High Yield Bonds

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

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

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

European High Yield Bonds are generally subordinated structurally, as opposed to contractually, to senior secured debtholders. Structural subordination is when a high yield security investor lends to a holding company whose primary asset is ownership of a cash-generating operating company or companies. The debt investment of the high yield investor is serviced by passing the revenues and tangible assets from the operating companies upstream

through the holding company (which typically has no revenue- generating capacity of its own) to the security holders. In the absence of upstream guarantees from operating or asset owning companies in the group, such a process leaves the High Yield Bond investors deeply subordinated to secured and unsecured creditors of the operating companies and means that investors therein will not necessarily have access to the same security package as the senior lenders (even on a second priority charge basis) or be able to participate directly in insolvency proceedings or pre-insolvency discussions relating to the operating companies within the group. This facet of the European high yield market differs from the U.S. high yield market, where structural subordination is markedly less prevalent.

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

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

Investing in Second Lien Loans involves certain risks

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

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

Liens on the collateral (if any) securing a Collateral Debt Obligation may arise at law that have priority over the Issuer's interest. An example of a lien arising under law is a tax or other government lien on property of an Obligor. A tax lien may have priority over the Issuer's lien on such collateral. To the extent a lien having priority over the Issuer's lien exists with respect to the collateral related to any Collateral Debt Obligation, the Issuer's interest in the asset will be subordinate to such lien. If the creditor holding such lien exercises its remedies, it is possible that, after such creditor is repaid, sufficient cash proceeds from the underlying

collateral will not be available to pay the outstanding principal amount of such Collateral Debt Obligation.

Characteristics of Senior Unsecured Loans

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

4.8 Corporate Rescue Loans

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

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

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

4.9 Bridge Loans

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

4.10 Limited Control of Administration and Amendment of Collateral Debt Obligations

As a holder of an interest in a syndicated loan, the Issuer will have limited consent and control rights and such rights may not be effective in view of the expected proportion of such obligations held by the Issuer. The Collateral Manager will exercise or enforce, or refrain from exercising or enforcing, any or all of the Issuer's rights in connection with the Collateral Debt Obligations or any related documents or will refuse amendments or waivers of the terms of any underlying asset and related documents in accordance with its portfolio management

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

4.11 Collateral Enhancement Debt Obligations

All funds required in respect of the purchase price of any Collateral Enhancement Debt Obligations and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of the Balance standing to the credit of the Collateral Enhancement Account at the relevant time. Such Balance shall be comprised of all sums deposited therein from time to time which will comprise interest payable in respect of the Subordinated Notes which the Collateral Manager, acting on behalf of the Issuer, determines shall be paid into the Collateral Enhancement Account pursuant to the Priorities of Payments rather than being paid to the Subordinated Noteholders. The aggregate amount which may be credited to the Collateral Enhancement Account in accordance with the Interest Proceeds Priorities of Payments may not exceed an aggregate amount for all applicable Payment Dates of 1.5 per cent. of the Target Par Amount.

The Collateral Manager is under no obligation whatsoever to exercise its discretion (acting on behalf of the Issuer) to take any of the actions described above and there can be no assurance that the Balance standing to the credit of the Collateral Enhancement Account will be sufficient to fund the exercise of any right or option under any Collateral Enhancement Debt Obligation at any time. The ability of the Collateral Manager (acting on behalf of the Issuer) to exercise any rights or options under any Collateral Enhancement Debt Obligation will be dependent upon there being sufficient amounts standing to the credit of the Collateral Enhancement Account to pay the costs of any such exercise. Failure to exercise any such right or option may result in a reduction of the returns to the Subordinated Noteholders (and, potentially, Noteholders of other Classes).

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

To the extent that there are insufficient sums standing to the credit of the Collateral Enhancement Account from time to time to purchase or exercise rights under Collateral Enhancement Debt Obligations which the Collateral Manager determines on behalf of the Issuer should be purchased or exercised, the Collateral Manager may, at its discretion, pay amounts required in order to fund such purchase or exercise (each such amount, an "**Collateral Manager Advance**") to such account pursuant to the terms of the Collateral Management Agreement; *provided that* no Collateral Manager Advance may be for an amount less than €500,000 and no more than 5 Collateral Manager Advances shall be permitted. All such Collateral Manager Advances shall be repaid (together with interest thereon) out of the Interest Proceeds, the Principal Proceeds on each Payment Date pursuant to the Priorities of Payments or out of the amount standing to the Collateral Enhancement Account at the discretion of the Collateral Manager.

4.12 Participations, Novations and Assignments

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

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

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

in connection with the exercise of its votes. Whilst the Issuer may have a right to elevate a Participation to a direct interest in the participated loan, such right may be limited by a number of factors.

In addition, Participations may be subject to the exercise of the "bail-in" powers attributed to Resolution Authorities under the BRRD or similar resolution mechanisms provided for in the SRM Regulation. See "*EU Bank Recovery and Resolution Directive*" above.

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

4.13 Voting Restrictions on Syndicated Loans for Minority Holders

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

4.14 Counterparty Risk

Assignments, Participations and Hedge Transactions involve the Issuer entering into contracts with counterparties. Pursuant to such contracts, the counterparties agree to make payments to the Issuer under certain circumstances as described therein. The Issuer will be exposed to the credit risk of the counterparty with respect of any such payments. Counterparties in respect of Participations and Hedge Transactions are required to satisfy the applicable Rating Requirement, upon entry into the applicable contract or instrument.

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

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

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

4.15 Concentration Risk

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

4.16 Credit Risk

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

4.17 Interest Rate Risk

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

In addition, any payments of principal or interest received in respect of Collateral Debt Obligations and not otherwise reinvested during the Reinvestment Period in Substitute Collateral Debt Obligations will generally be invested in Eligible Investments until shortly before the next Payment Date. There is no requirement that such Eligible Investments bear interest on a particular basis, and the interest rates available for such Eligible Investments are inherently uncertain. As a result of these factors, it is expected that there will be a fixed/floating rate mismatch and/or a floating rate basis mismatch between the Notes and the underlying Collateral Debt Obligations and Eligible Investments. Such mismatch may be material and may change from time to time as the composition of the related Collateral Debt Obligations and Eligible Investments change and as the liabilities of the Issuer accrue or are repaid. As a result of such mismatches, changes in the level of EURIBOR could adversely affect the ability to make payments on the Notes. In addition, pursuant to the Collateral Management Agreement, the Collateral Manager, acting on behalf of the Issuer, is authorised to enter into the Interest Rate Hedge Transactions in order to mitigate such interest rate mismatch from time to time, subject to receipt in each case of Rating Agency Confirmation in respect thereof (unless such Interest Rate Hedge Transaction is in a form in respect of which the Issuer (or the Collateral Manager on behalf of the Issuer) has previously received approval from each Rating Agency) and subject to certain regulatory considerations in relation to swaps, discussed in 2.9 (*Commodity Pool Regulation*) above. However, the Issuer will depend on each Hedge Counterparty to perform its obligations under any Hedge Transaction to which it is a party and if any Hedge Counterparty defaults or becomes unable to perform due to

insolvency or otherwise, the Issuer may not receive payments it would otherwise be entitled to from such Hedge Counterparty to cover its interest rate risk exposure..

In addition, some Collateral Debt Obligations permit the Obligor to re-set the interest period applicable to it from quarterly to semi-annually and vice versa. Interest Amounts are due and payable in respect of the Notes on a semi-annual basis following a Frequency Switch Event and on a quarterly basis at all other times. If a significant number of Collateral Debt Obligations re-set to semi-annual interest payments, there may be insufficient interest received to make quarterly interest payments on the Notes. In order to mitigate re-set risk, a Frequency Switch Event shall occur if (amongst other things) a sufficient portion of the Collateral Debt Obligations re-set from quarterly to semi-annually pay, as more particularly described in the definition of "**Frequency Switch Event**". In addition, in order to mitigate the effects of any timing mismatch between Semi-Annual Obligations and quarterly interest payments on the Notes, the Issuer will hold back a portion of the interest received on Collateral Debt Obligations which pay interest less frequently than quarterly in order to make quarterly payments of interest on the Notes ("**Interest Smoothing**"). There can be no assurance that Interest Smoothing and the occurrence of a Frequency Switch Event shall be sufficient to mitigate any timing mismatch or re-set risk.

In the case of the Notes which will bear interest at a rate based on EURIBOR for the period from one Payment Date (or, in the case of the first Payment Date, the Issue Date) to the next Paying Date (the "**Floating Rate Notes**"), there may be a timing mismatch between the Floating Rate Notes and the Floating Rate Collateral Debt Obligations as the interest rate on such Floating Rate Collateral Debt Obligations may adjust more frequently or less frequently, on different dates and based on different indices as compared to the interest rates on the Floating Rate Notes. As a result of such mismatches, an increase in the level of EURIBOR could adversely impact the ability of the Issuer to make payments on the Floating Rate Notes. There can be no assurance that the Collateral Debt Obligations and the Eligible Investments will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Notes.

There can be no assurance that the Collateral Debt Obligations and Eligible Investments securing the Notes will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Notes or that any particular levels of return will be generated on the Subordinated Notes.

On 5 June 2014, the European Central Bank announced that it would charge a negative rate of interest on bank deposits with the European Central Bank. To the extent the European Central Bank's or other central bank's deposit rate from time to time results in the Account Bank incurring negative deposit rates as a result of maintaining any accounts on the Issuer's behalf, the Issuer will be required to reimburse the Account Bank in an amount equal to the chargeable interest incurred on such accounts as a result of such negative deposit rates. Prospective investors should note that given recent levels of, and moves in respect of, deposit rates, it appears likely the Issuer will be required to make such payments in reimbursement of the Account Bank. Any such payments shall be paid as Administrative Expenses, subject to and in accordance with the Priorities of Payments and may, accordingly, have a negative impact on the amounts available to the Issuer to apply as payments on the Notes.

4.18 Non-Euro Obligations and Asset Swap Transactions

Currency Risk

The Portfolio Profile Tests provide that up to 25.0 per cent. of the Aggregate Collateral Balance may comprise Asset Swap Obligations. The percentage of the Portfolio that is comprised of Asset Swap Obligations may increase or decrease over the life of the Notes. Although the Issuer intends to hedge against such currency exposures pursuant to Asset Swap

Transactions, it is not required that all Non-Euro Obligations must be the subject of an Asset Swap Transaction. In particular up to 2.5 per cent. of the Aggregate Collateral Balance may comprise Unhedged Collateral Debt Obligations.

Notwithstanding that Non-Euro Obligations may be subject to Asset Swap Transactions, fluctuations in the currency exchange rates for currencies in which Collateral Debt Obligations are denominated may lead to the proceeds of the Portfolio being insufficient to pay all amounts due to the respective Classes of Noteholders. In addition, fluctuations in euro exchange rates may result in a decrease in value of the Portfolio for the purposes of sale thereof (including but not limited to a Non-Euro Obligation upon enforcement of the security over it). The Collateral Manager may also be limited at the time of investment in its choice of Collateral Debt Obligations because of the cost of entry into such Asset Swap Transactions and due to restrictions in the Collateral Management Agreement with respect thereto. The Collateral Manager may also be unable to find suitable Asset Swap Counterparties willing to provide Asset Swap Transactions. There are also currently a number of regulatory initiatives which may make it difficult or impossible for the Issuer to enter into Asset Swap Transactions or Interest Rate Hedge Transactions. See "*European Market Infrastructure Regulation (EMIR)*", "*CFTC Regulations*" and "*Commodity Pool Regulation*" above.

The Issuer's ongoing payment obligations under such Asset Swap Transactions (including termination payments) may be significant. The payments associated with such hedging arrangements generally rank senior to payments on the Notes.

Defaults, prepayments, trading and other events may increase the risk of a mismatch between the foreign exchange hedges and Collateral Debt Obligations. This may cause losses.

The Issuer will depend upon the Currency Swap Counterparty to perform its obligations under any hedges. If the Currency Swap Counterparty defaults or becomes unable to perform due to insolvency or otherwise, the Issuer may not receive payments it would otherwise be entitled to from the Currency Swap Counterparty to cover its foreign exchange exposure.

4.19 Reinvestment Risk/Uninvested Cash Balances

To the extent the Collateral Manager maintains cash balances invested in short-term investments instead of higher yielding loans or bonds, portfolio income will be reduced which will result in reduced amounts available for payment on the Notes. In general, the larger the amount and the longer the time period during which cash balances remain uninvested the greater the adverse impact on portfolio income which will reduce amounts available for payment on the Notes, especially the Subordinated Notes. The extent to which cash balances remain uninvested will be subject to a variety of factors, including future market conditions and is difficult to predict.

During the Reinvestment Period, subject to compliance with certain criteria and limitations described herein, the Collateral Manager will have discretion to dispose of certain Collateral Debt Obligations and to reinvest the proceeds thereof in Substitute Collateral Debt Obligations in compliance with the Reinvestment Criteria. In addition, during the Reinvestment Period, to the extent that any Collateral Debt Obligations prepay or mature prior to the Maturity Date, the Collateral Manager will seek to invest the proceeds thereof in Substitute Collateral Debt Obligations, subject to the Reinvestment Criteria. In addition, following the expiry of the Reinvestment Period, the Collateral Manager may reinvest some types of Principal Proceeds (see "*The Collateral Manager May Reinvest After the End of the Reinvestment Period*" above). The yield with respect to such Substitute Collateral Debt Obligations will depend, among other factors, on reinvestment rates available at the time, on the availability of investments which satisfy the Reinvestment Criteria and are acceptable to the Collateral Manager, and on market conditions related to high yield securities and bank loans in general. The need to satisfy such Reinvestment Criteria and identify acceptable

investments may require the purchase of Collateral Debt Obligations with a lower yield than those replaced, with different characteristics than those replaced (including, but not limited to, coupon, maturity, call features and/or credit quality) or require that such funds be maintained in cash or Eligible Investments pending reinvestment in Substitute Collateral Debt Obligations, which will further reduce the Adjusted Aggregate Collateral Balance. Any decrease in the Adjusted Aggregate Collateral Balance will have the effect of reducing the amounts available to make distributions on the Notes which will adversely affect cash flows available to make payments on the Notes, especially the most junior Class or Classes of Notes. There can be no assurance that in the event Collateral Debt Obligations are sold, prepaid, or mature, yields on Collateral Debt Obligations that are eligible for purchase will be at the same levels as those replaced and there can be no assurance that the characteristics of any Substitute Collateral Debt Obligations purchased will be the same as those replaced and there can be no assurance as to the timing of the purchase of any Substitute Collateral Debt Obligations.

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

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

4.20 Ratings on Collateral Debt Obligations

The Collateral Quality Tests, the Portfolio Profile Tests, the Coverage Tests and the Interest Diversion Test are sensitive to variations in the ratings applicable to the underlying Collateral Debt Obligations. Generally, deteriorations in the business environment or increases in the business risks facing any particular Obligor may result in downgrade of its obligations, which may result in such obligation becoming a Credit Impaired Obligation, a Moody's Caa Obligation or a Fitch CCC Obligation (and therefore potentially subject to haircuts in the determination of the Par Value Tests and restriction in the Portfolio Profile Tests) or a

Defaulted Obligation. The Collateral Management Agreement contains detailed provisions for determining the Moody's Rating and the Fitch Rating. In some instances, the Moody's Rating and the Fitch Rating will not be based on or derived from a public rating of the Obligor or the actual Collateral Debt Obligation but may be based on either a private rating of the Obligor or Collateral Debt Obligation or, in certain cases, a confidential credit estimate determined separately by Moody's and Fitch. Such private ratings and confidential credit estimates are private and therefore not capable of being disclosed to Noteholders. In addition, some ratings will be derived by the Collateral Manager based on, among other things, Obligor group or affiliate ratings, comparable ratings provided by a different rating agency and, in certain circumstances, temporary ratings applied by the Collateral Manager. The Portfolio Profile Tests contain limitations on the proportions of the Aggregate Collateral Balance that may be made up of Collateral Debt Obligations where the Moody's Rating is derived from an S&P Rating. Furthermore, such derived ratings will not reflect detailed credit analysis of the particular Collateral Debt Obligation and may reflect a more or less conservative view of the actual credit risk of such Collateral Debt Obligation than any such fundamental credit analysis might, if conducted, warrant; and model-derived variations in such ratings may occur (and have consequential effects on the Collateral Quality Tests, the Portfolio Profile Tests and the Coverage Tests) without necessarily reflecting comparable variation in the actual credit quality of the Collateral Debt Obligation in question. Please see "*The Portfolio*" and "*Ratings of the Notes*".

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

4.21 Insolvency Considerations relating to Collateral Debt Obligations

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

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

4.22 Lender Liability Considerations; Equitable Subordination

In recent years, a number of judicial decisions in the United States and other jurisdictions have upheld the right of borrowers to sue lenders or bondholders on the basis of various evolving legal theories (collectively, termed "**lender liability**"). Generally, lender liability is founded upon the premise that an institutional lender or bondholder has violated a duty

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

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

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

4.23 Loan Repricing

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

4.24 Changes in Tax Law; No Gross Up; General

At the time when they are acquired by the Issuer, the Eligibility Criteria require that payments of interest on the Collateral Debt Obligations to the Issuer either will not be reduced by any withholding tax imposed by any jurisdiction (unless such withholding tax can be sheltered, upon completion of any necessary procedural formalities, by application being made under an applicable double tax treaty) (with the exception of any U.S. withholding taxes imposed on

fees or, if and to the extent that any such withholding tax does apply, the relevant Obligor will be obliged to make gross up payments that cover the full amount of such withholding tax. However, there can be no assurance that, as a result of any change in any applicable law, rule or regulation or interpretation thereof, the payments on the Collateral Debt Obligations might not in the future become subject to withholding tax or increased withholding rates in respect of which the relevant Obligor will not be obliged to gross up to the Issuer. In such circumstances, the Issuer may be able, but will not be obliged, to take advantage of (a) a double taxation treaty between Ireland and the jurisdiction from which the relevant payment is made, (b) the current applicable law in the jurisdiction of the borrower or (c) the fact that the Issuer has taken a Participation in such Collateral Debt Obligations from a Selling Institution which is able to pay interest payable under such Participation gross. In the event that the Issuer receives any interest payments on any Collateral Debt Obligation net of any applicable withholding tax, the Interest Coverage Tests, the Minimum Weighted Average Spread Test and the Minimum Weighted Average Coupon Test will be determined by reference to such net receipts. Such tax would also reduce the amounts available to make payments on the Notes. There can be no assurance that remaining payments on the Collateral Debt Obligations would be sufficient to make timely payments of interest and principal on the Notes of each Class and the other amounts payable in respect of the Notes on the Maturity Date. If payments in respect of Collateral Debt Obligations to the Issuer become subject to withholding tax, this may also trigger a Collateral Tax Event and result in an optional redemption of the Rated Notes in accordance with Condition 7(b)(i)(B) (*Optional Redemption in Whole—Subordinated Noteholders or Collateral Manager*).

4.25 UK Taxation of the Issuer

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

The Issuer will not be treated as being tax resident in the UK provided that the central management and control of the Issuer is not in the UK. The directors intend to conduct the affairs of the Issuer in such a manner so that it does not become resident in the UK for taxation purposes.

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

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

Even if the Issuer is regarded as carrying on a trade in the UK through the agency of the Collateral Manager for the purposes of UK taxation, it will not be subject to UK corporation tax if the domestic UK tax exemption (the "**Investment Manager Exemption**") for profits generated in the UK by an investment manager on behalf of its non-resident clients (see section 1146 of the Corporate Tax Act 2000). It should be noted that the specific domestic UK tax exemption for profits generated in the UK by a collateral manager on behalf of its non-resident clients (section 1146 of the Corporation Tax Act 2010) may not be available in the context of this transaction if the Collateral Manager (or certain connected entities) holds more than 20 per cent. of the Subordinated Notes. However, if the domestic exemption is not applicable, the Issuer may nonetheless be able to rely on Article 8(1) of the UK-Ireland tax treaty to exclude a charge to UK corporation tax or income tax on its profits resulting from the agency of the Collateral Manager, provided that the Collateral Manager is regarded as an

independent agent acting in the ordinary course of its business for the purposes of Article 5(6) of the UK-Ireland tax treaty.

Should the Collateral Manager be assessed to UK tax on behalf of the Issuer, it may be entitled to an indemnity from the Issuer. Any payment to be made by the Issuer under this indemnity will be paid as Administrative Expenses of the Issuer. Administrative Expenses are payable by the Issuer on any Payment Date under the Priorities of Payments. It should be noted that UK tax legislation makes it possible for H.M. Revenue & Customs to seek to assess the Issuer to UK tax directly rather than through the Collateral Manager as its UK representative. Should the Issuer be assessed on this basis, the Issuer will be liable to pay UK tax on its UK taxable profit attributable to its UK activities, such payment to be made subject to and in accordance with the Priorities of Payments. The Issuer would also be liable to pay UK tax on its UK taxable profits in the unlikely event that it were treated as being tax resident in the UK, such payment to be made in accordance with the Priorities of Payments.

4.26 Collateral Manager

The Collateral Manager is given authority in the Collateral Management Agreement to act as Collateral Manager to the Issuer in respect of the Portfolio pursuant to and in accordance with the parameters and criteria set out in the Collateral Management Agreement. See "*The Portfolio*" and "*The Collateral Manager*" sections of this Prospectus. The powers and duties of the Collateral Manager in relation to the Portfolio include effecting, on behalf of the Issuer, in accordance with the provisions of the Collateral Management Agreement: (a) the acquisition of Collateral Debt Obligations during the Reinvestment Period; (b) the sale of Collateral Debt Obligations during the Reinvestment Period (subject to certain limits) and, at any time, upon the occurrence of certain events (including a Collateral Debt Obligation becoming a Defaulted Obligation, a Credit Improved Obligation or a Credit Impaired Obligation); and (c) the participation in restructuring and work-outs of Collateral Debt Obligations on behalf of the Issuer. See "*The Portfolio*". Any analysis by the Collateral Manager (on behalf of the Issuer) of Obligors under Collateral Debt Obligations which it is purchasing (on behalf of the Issuer) or which are held in the Portfolio from time to time will, in respect of Collateral Debt Obligations which are publicly listed bonds, be limited to a review of readily available public information and in respect of Collateral Debt Obligations which are bonds which are not publicly listed, any analysis by the Collateral Manager (on behalf of the Issuer) will be in accordance with standard review procedures for such type of bonds and, in respect of Collateral Debt Obligations which are Assignments or Participations of senior and mezzanine loans and in relation to which the Collateral Manager has non-public information, such analysis will include due diligence of the kind common in relation to loans of such kind.

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

The Issuer is a newly formed entity and has no operating history or performance record of its own, other than entry into the Warehouse Arrangements. The actual performance of the Issuer will depend on numerous factors which are difficult to predict and may be beyond the control of the Collateral Manager. The nature of and risks associated with, the Issuer's future investments may differ substantially from those investments and strategies undertaken historically by the Collateral Manager and such persons. There can be no assurance that the Issuer's investments will perform as well as the past investments of any such persons or entities.

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

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

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

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

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

4.27 No Placement Agent or Arranger Role Post-Closing

The Placement Agent and the Arranger take no responsibility for, and have no obligations in respect of, the Issuer and will have no obligation to monitor the performance of the Portfolio or the actions of the Collateral Manager or the Issuer and no authority to advise the Collateral Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Collateral Manager and the Issuer. If the Placement Agent or the Arranger or their respective Affiliates act as counterparty to any hedge, swap or derivative transaction entered into by the Issuer (to the extent permitted under the Trust Deed) or own Notes, they will have no responsibility to consider the interests of any other owner of Notes with respect to actions they take or refrain from taking in such capacity.

4.28 Acquisition and Disposition of Collateral Debt Obligations

The estimated net proceeds of the issue of the Notes after payment of fees and expenses payable on or about the Issue Date (and after, without duplication, amounts are deposited into the Expense Reserve Account) will be used by the Issuer for the repayment of any amounts borrowed by the Issuer under the Warehouse Arrangements (together with any interest

thereon) and all other amounts due in order to finance the acquisition of warehoused Collateral Debt Obligations purchased by the Issuer prior to the Issue Date and to fund the Interest Reserve Account. The remaining proceeds shall be retained in the Unused Proceeds Account and used to purchase (or enter into agreements to purchase) additional Collateral Debt Obligations during the Initial Investment Period (as defined in the Conditions). The Collateral Manager's decisions concerning purchases of Collateral Debt Obligations will be influenced by a number of factors, including market conditions and the availability of securities and loans satisfying the Eligibility Criteria, Reinvestment Criteria and the other requirements of the Collateral Management Agreement. The failure or inability of the Collateral Manager to acquire Collateral Debt Obligations with the proceeds of the offering or to reinvest Sale Proceeds or payments and prepayments of principal in Substitute Collateral Debt Obligations in a timely manner will adversely affect the returns on the Notes, in particular with respect to the most junior Class or Classes.

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

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

4.29 Valuation Information; Limited Information

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

5. CERTAIN CONFLICTS OF INTEREST

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

Collateral Manager

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

The Collateral Manager, its partners, its clients, its employees and its affiliates have invested and may continue to invest in debt obligations that would also be appropriate as Collateral

Debt Obligations. The investment policies, fee arrangements and other circumstances applicable to such other parties may vary from those applicable to the Issuer. The Collateral Manager, its partners, its clients, its employees and its affiliates may also have or establish relationships with companies whose debt obligations are Collateral Debt Obligations and may now or in the future own or seek to acquire equity securities or debt obligations issued by issuers of Collateral Debt Obligations, and such debt obligations may have interests different from or adverse to the securities that are Collateral Debt Obligations. The Collateral Manager and/or affiliates of the Collateral Manager serves as investment manager of thirteen CLOs that are primarily collateralised by loans and other debt instruments of U.S.-based obligors, with current collateral assets of approximately $6.8 billion, and four CLOs primarily collateralised by loans and other debt instruments of European-based obligors, with current collateral assets of approximately $1.3 billion. The Collateral Manager and/or affiliates also participate in other investment management activities by managing pooled investment funds and separately managed accounts. In addition, the Collateral Manager, its clients, its employees or its affiliates may serve as a general partner and/or manager of limited partnerships or other entities organised to issue notes or certificates, similar to the Notes, which are secured by high-yield debt securities, loans and other investments, or may manage third party accounts which invest in high-yield debt securities, loans and other investments. The Collateral Manager and/or its affiliates may often be seeking simultaneously to purchase or sell investments for the Issuer, such affiliates and similar entities or other investment accounts for which the Collateral Manager or an affiliate serves as investment manager or for its clients or affiliates, and the Collateral Manager will have the sole and absolute discretion to apportion such investments among such entities, subject to applicable regulatory rules. The Collateral Manager cannot assure equal treatment across its investment clients. It is possible that, due to differing investment objectives and other reasons, the Collateral Manager may purchase a Collateral Debt Obligation of a particular obligor for one client and sell a Collateral Debt Obligation of such obligor for another client. The Collateral Manager has no obligation to offer a particular investment opportunity to the Issuer. Research and other services obtained by the Collateral Manager or produced by the Collateral Manager for one client may be used to service other clients, including the Issuer. The Collateral Manager may also provide financial services or other advisory services for a customary fee to issuers whose debt obligations or other securities are Collateral Debt Obligations, and neither the holders of Notes nor the Issuer shall have any right to such fees. In connection with the foregoing activities the Collateral Manager and its affiliates may from time to time come into possession of material non-public information that limits the ability of the Collateral Manager to effect a transaction for the Issuer, and the Issuer's investments may be constrained as a consequence of the Collateral Manager's inability to use such information for advisory purposes or otherwise to effect transactions that otherwise may have been initiated on behalf of its clients, including the Issuer. See "*The Collateral Manager*".

The Collateral Manager and its affiliates may from time to time incur expenses on behalf of the Issuer and its or their other clients or accounts. There can be no assurance that such expenses will in all cases be allocated ratably.

The Collateral Manager and its affiliates may have economic interests in or other relationships with issuers in whose obligations or securities 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 and its affiliates 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. The Collateral Manager

may from time to time rely on the brokerage, trading, settlement and other capital markets capabilities of an affiliate in performing its duties under the Collateral Management Agreement.

The Collateral Manager has informed the Issuer that the principals of the Collateral Manager and/or affiliates of the Collateral Manager are responsible for advising certain CLOs, pooled investment funds and separately managed accounts. They may also provide consulting advice or other services to Oak Hill Advisors, L.P., the Collateral Manager or other entities or undertakings controlled, directly or indirectly, by either of them or any of their respective holding companies, principals or partners that invest in other asset classes from time to time. In addition, the principals of the Collateral Manager may in the future organise and manage one or more entities with objectives similar to or different from those of the Issuer.

The Collateral Manager is entitled to receive a Senior Collateral Management Fee, a Subordinated Collateral Management Fee and an Incentive Collateral Management Fee from the Issuer out of proceeds received by the Issuer from the Collateral Debt Obligations, each payable in accordance with the Priorities of Payments. The Incentive Collateral Management Fee is generally dependent on the yield earned on the Collateral Debt Obligations. The fee structure could create an incentive for the Collateral Manager to manage the Issuer's investments in a manner as to seek to maximise the yield on the Collateral Debt Obligations relative to investments of higher creditworthiness. Managing the portfolio with the objective of increasing yield, even though the Collateral Manager is constrained by investment restrictions described in the Eligibility Criteria, could result in an increase in defaults or volatility and could contribute to a decline in the aggregate market value of the Collateral Debt Obligations.

In addition, the Collateral Manager has entered into an agreement and may enter into further agreements, each of which provide that certain Noteholders will be entitled to receive a portion of the Collateral Management Fees from the Collateral Manager on one or more Payment Dates during the term of the transaction. The performance and incentives of the Collateral Manager may be negatively impacted by any such fee rebate arrangements.

On the Issue Date, the Collateral Manager will be reimbursed by the Issuer for certain of its expenses incurred in connection with the offering of the Notes and the negotiation and documentation of the Transaction Documents, including the Collateral Management Agreement (including legal fees and expenses).

The Collateral Manager, acting in its capacity as the Retention Holder, will subscribe for on the Issue Date and, hold, from the Issue Date, on an ongoing basis, not less than 5 per cent. of the nominal value of each Class of Notes on the Issue Date. See "*The Retention Holder and EU Retention Requirements*" and "*U.S. Credit Risk Retention*" below. The Collateral Manager in its capacity as Retention Holder has entered into financing arrangements with one or more third parties (the "**Retention Financer**") in respect of the Retention Notes, provided such financing is permissible under the EU Retention Requirements and/or the U.S. Risk Retention Rules. See "*Retention Financing*" above).

The Retention Holder intends to purchase each Class of Retention Notes on the Issue Date at the relevant issue price for that Class as set out in the cover page of this Prospectus other than the Subordinated Notes in respect of which it will be purchasing that Class of Retention Notes at a price that will be less than the issue price for that Class as set out in the cover page of this Prospectus. However, the Retention Holder will subscribe on the Issue Date a material net economic interest in the transaction which will be comprised of not less than 5 per cent. of the nominal value of each Class of Notes.

Any Class A Notes, Class B Notes, Class C Notes or Class D Notes held by or on behalf of the Collateral Manager or its Affiliates may only be held in the form of CM Non-Voting

Notes or CM Non-Voting Exchangeable Notes. Accordingly, any such Notes held by or on behalf of the Collateral Manager or its Affiliates shall have no voting rights with respect to, and shall not be counted for the purpose of determining a quorum and the results of, voting on any CM Removal Resolution or CM Replacement Resolution. In addition, any Class E Notes, Class F Notes and Subordinated Notes held by or on behalf of the Collateral Manager or its Affiliates shall also have no voting rights with respect to, and shall not be counted for the purpose of determining a quorum and the results of, voting on any CM Removal Resolution or CM Replacement Resolution.

Subject to the foregoing, one or more affiliates of or other parties related to the Collateral Manager (the "**Collateral Manager Related Persons**") may from time to time purchase Notes of any Class. None of the Collateral Manager Related Persons is required to own or hold any Notes, and each may sell any Notes held by it at any time. The Collateral Manager may face conflicts between the interests of the holders of any Classes of Notes senior to the Classes of Notes purchased or held by the Collateral Manager and/or a Collateral Manager Related Person on the one hand and its interests on the other when acting on behalf of the Issuer under the Collateral Management Agreement, and although the Collateral Manager will at all times be the holder of the Retention Notes and may at times be a holder of any other Notes, its interests and incentives will not necessarily be similar to those of the other holders of Notes (or of the holders of any particular Class of Notes). If the Collateral Manager were to own at least a majority of the aggregate outstanding principal amount of the Subordinated Notes, it would be permitted to control an Optional Redemption, partial redemption by Refinancing (without an ability of the remaining holders of Subordinated Notes to block such Refinancing) and various other potential actions of the Issuer described in this Prospectus. In addition, subject to the Conditions, the Collateral Manager may terminate the Reinvestment Period or cause the Rated Notes to be redeemed (including in part by full Class in the case of a Refinancing).

Rating Agencies

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

Conflicts of Interest Involving or relating to the Placement Agent and its Affiliates

Goldman Sachs International and its Affiliates (the "**Goldman Sachs Parties**") have acted as the structurer of the transaction described herein and placement agent and in certain other roles in connection with the transaction described herein, as described below.

The Goldman Sachs Parties have formulated and developed the Portfolio Profile Tests, Coverage Tests, Collateral Quality Tests, Priority of Payments and other criteria in and provisions of the Trust Deed, Collateral Management Agreement and the Retention Letter. These may be influenced by discussions that the Placement Agent may have or have had with investors and there is no assurance that investors would agree with the views of one another or that the resulting modifications will not adversely affect the performance of the Notes or any particular Class of Notes.

Under the Warehouse Arrangements, a Goldman Sachs Party will provide, prior to the Issue Date financing (together with an affiliate of the Collateral Manager and certain third parties), to the Issuer to allow its acquisition of Warehoused Assets (provided that such Goldman Sachs Party approves the purchase of any such Warehoused Asset). The approval or failure to object by such Goldman Sachs Party of the purchase of a Warehoused Asset will be in its capacity as the financing party and should not be viewed as a determination by such Goldman Sachs Party as to whether a particular asset is an appropriate investment by the Issuer or

whether it will satisfy the portfolio criteria applicable to the Issuer. See "*Acquisition of Collateral Debt Obligations prior to the Issue Date*" above. If such Goldman Sachs Party does not approve the purchase of a Warehoused Asset, the Issuer may be restricted from purchasing that asset for a certain period, which may result in the Issuer paying a higher price for such asset. The interests of the Goldman Sachs Parties (and the Warehouse Providers) in respect of transactions involving the Warehoused Assets do not necessarily align with, and may in fact be directly contrary to, those of investors in the Notes. In the event the Issue Date does not occur, the relevant Goldman Sachs Party (and other Warehouse Providers) will bear the risk of any loss with respect to any Warehoused Assets. Assuming the Issue Date does occur, any net (realised and unrealised) gains and/or losses in respect of the Collateral Debt Obligations acquired prior to the Issue Date will be for the account of the Warehouse Providers.

Certain of the Collateral Debt Obligations may have been originally underwritten or placed by the Placement Agent. In addition, the Placement Agent may have in the past performed and may in the future perform investment banking services or other services for issuers of the Collateral Debt Obligations. In addition, the Placement Agent and its Affiliates may from time to time as a principal or through one or more investment funds that it or they manage, make investments in the equity securities of one or more of the issuers of the Collateral Debt Obligations, with a result that one or more of such issuers may be or may become controlled by the Placement Agent or its Affiliates. In addition, in the ordinary course of their business activities, the Placement Agent and its Affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or investments (including Notes) of the Issuer. The Placement Agent and its Affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

In addition, one or more Goldman Sachs Parties have, prior to the Issue Date, arranged and may, following the Issue Date, arrange, financing on behalf of the Retention Holder for some or all of the amounts required for the purchase of the Retention Notes pursuant to the Retention Letter. One or more Goldman Sachs Parties may derive fees and other revenues from the arrangement of such financing. In addition, participating in such arrangements and providing any other related services to clients may enhance one or more of the Goldman Sachs Parties' relationships with various parties, facilitate additional business development, and enable it to obtain additional business and to generate additional revenue. See "*Retention Financing*" above.

None of the Goldman Sachs Parties will have any obligation to monitor the performance of Collateral Debt Obligations or the actions of the Collateral Manager or the Issuer. None of the Goldman Sachs Parties will have any authority to advise the Collateral Manager or the Issuer or direct their actions, which, in respect of the Issuer will be solely the responsibility of the Collateral Manager.

The Issuer may invest in money market funds that are Eligible Investments managed by one or more of the Goldman Sachs Parties.

The Placement Agent may place the Notes issued by the Issuer on the Issue Date under individually negotiated transactions at varying prices which may result in a lower fee being paid to the Placement Agent in respect of those Notes. The Placement Agent may assist clients and counterparties in transactions related to the Notes (including assisting clients in future purchases and sales of the Notes and hedging transactions). The Placement Agent may (but is not obliged to) purchase some or all of the Notes on the Issue Date acting as agent of

the Issuer for the sole purpose of assisting in the settlement of these transactions. The Placement Agent expects to earn fees and other revenues from these transactions.

The Goldman Sachs Parties, including the Placement Agent, may purchase a certain proportion of the Notes on or after the Issue Date which they may hold and/or subsequently trade. Any such purchase and holding and/or subsequent trade by any Goldman Sachs Parties will be for their own account as Noteholders. The holding or any sale of the Notes by these parties may adversely affect the liquidity of the Notes and may also affect the prices of the Notes in the primary or secondary market. The activities and interests of the Goldman Sachs Parties its clients and respective officers, members and employees will not necessarily align with, and may in fact be directly contrary to, those of the interests in the Notes. In carrying out its obligations as Placement Agent or any other transaction party, no Goldman Sachs Party shall be under any duty to disclose to the Collateral Manager, the Issuer, the Trustee, any Noteholders, prospective investor or any other person, any non-public information acquired in the course of carrying on any business for, or in connection with, the provision of services to any other party. The Goldman Sachs Parties are part of a global banking, investment banking and securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. As such, they actively make markets in and trade financial instruments for their own account and for the accounts of customers in the ordinary course of their business.

The Goldman Sachs Parties may have positions in and will likely have placed or underwritten certain of the Collateral Debt Obligations (or other obligations of the obligors of Collateral Debt Obligations) when they were originally issued and may have provided or may be providing investment banking services and other services to obligors of certain Collateral Debt Obligations. In addition, the Goldman Sachs Parties and their clients may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, Collateral Debt Obligations. Moreover, Goldman Sachs has in the past provided, and expects in the future to provide, investment banking services to the Collateral Manager, including acting as underwriter or placement agent on securities issuances. Each of the Goldman Sachs Parties will act in its own commercial interest in its various capacities without regard to whether its interests conflict with those of the holders of the Notes or any other party. Moreover, the Issuer may invest in loans of obligors affiliated with the Goldman Sachs Parties or in which one or more Goldman Sachs Parties hold an equity or participation interest. The purchase, holding or sale of such Collateral Debt Obligations by the Issuer may increase the profitability of one or Goldman Sachs Party's own investments in such obligors.

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

The Placement Agent or its Affiliates may have placed or underwritten certain of the Collateral Debt Obligations when such Collateral Debt Obligations were originally issued and may have provided or be providing investment banking services and other services to issuers of certain Collateral Debt Obligations. It is expected that from time to time the Collateral Manager may purchase or sell Collateral Debt Obligations through, from or to the Placement Agent or its Affiliates, subject to such procedures and restrictions as are appropriate to comply with applicable law with respect to transactions in which an Affiliate of the Collateral Manager is acting as principal.

The Goldman Sachs Parties activities include, among other things, executing large block trades and taking long and short positions directly and indirectly, through derivative instruments or otherwise. These activities may also include buying or selling credit protection in respect of the Notes, taking long and short positions on (and thereby make a profit from) the Collateral Debt Obligations (including those purchased pursuant to the Warehouse Arrangements or while the Notes are outstanding), assisting purchasers of the Collateral Debt Obligation to hedge their investments; facilitating transactions for other clients or counterparties that may have business objectives or investment strategies that are inconsistent with or contrary to those of investors in the Collateral Debt Obligation, and/or hedging any exposure of a Goldman Sachs Parties to the Notes on the Issue Date or any time in the future. The securities and instruments in which any Goldman Sachs Parties takes positions, or expect to take positions may include the Notes, the Collateral Debt Obligations, or similar securities or products. Market-making is an activity where Goldman Sachs International buys and sells on behalf of customers, or for their own account, to satisfy the expected demand of customers. By its nature, market-making involves facilitating transactions among market participants that have differing views of securities and instruments. Any Goldman Sachs Party may also act as a Hedge Counterparty on Hedge Agreements. As a result, Noteholders should expect that one or more of the Goldman Sachs Parties will take positions that are inconsistent with, or adverse to, the investment objectives of investors in the Notes. In no circumstances will the Goldman Sachs Parties need to account to any Noteholder or any other person for any fee, profit or gain made from any such activities.

As a result of Goldman Sachs various financial market activities, including acting as a research provider, investment advisor, market maker or principal investor, Noteholders should expect that personnel in various businesses throughout Goldman Sachs will have and express research or investment views and make recommendations that are inconsistent with, or adverse to, the objectives of investors in the Notes.

Goldman Sachs Parties do not disclose specific trading positions or their hedging strategies, including whether they are in long or short positions in any Notes or obligations referred to in this Prospectus except where required in accordance with the applicable law. Nonetheless, in the ordinary course of business, Goldman Sachs Parties and employees or customers of a Goldman Sachs Party may actively trade in and/or otherwise hold long or short positions in the Notes, Collateral Debt Obligations and Eligible Investments or enter into transactions similar to referencing the Notes, Collateral Debt Obligations and Eligible Investments or the obligors thereof for their own accounts and for the accounts of their customers. If a Goldman Sachs Party becomes an owner of any of the Notes, through market-making activity or otherwise, any actions that it takes in its capacity as owner, including voting, providing consents or otherwise will not necessarily be aligned with the interests of other owners of the same Class or other Classes of the Notes. There is no obligation for any Goldman Sachs Party to purchase or retain any of the Notes. To the extent one or more of the Goldman Sachs Parties makes a market in the Notes (which it is under no obligation to do), it would expect to receive income from the spreads between its bid and offer prices for the Notes. In connection with any such activity, it will have no obligation to take, refrain from taking or cease taking any action with respect to these transactions and activities based on the potential effect on an investor in the Notes. The price at which a Goldman Sachs Party may be willing to purchase Notes, if it makes a market, will depend on market conditions and other relevant factors and may be significantly lower than the issue price for the Notes. As a result of Goldman Sachs International's various financial market activities, including acting as a research provider, investment advisor, market maker or principal investor, holders should expect that personnel in various businesses throughout Goldman Sachs International will have and express research or investment views and make recommendations that are inconsistent with, or adverse to, the objectives of investors in the Notes.

Furthermore, Goldman Sachs expects that a completed offering will enhance its ability to assist clients and counterparties in transactions related to the Notes and in similar transactions (including assisting clients in additional purchases and sales of the Notes and hedging transactions). Goldman Sachs International expects to derive fees and other revenues from these transactions. In addition, participating in a successful offering and providing related services to clients may enhance Goldman Sachs International's relationships with various parties, facilitate additional business development, and enable it to obtain additional business and to generate additional revenue.

It is expected that from time to time after the Issue Date, the Issuer, acting at the direction of the Collateral Manager, will purchase Collateral Debt Obligations from, or sell Collateral Debt Obligations to, Goldman Sachs, some of which may be sold from Goldman Sachs inventory. The transactions described in the preceding sentence are separate and apart from those that take place during the Warehouse Period.

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

6. INVESTMENT COMPANY ACT

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

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

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

The Trust Deed provides that if, notwithstanding the restrictions on transfer contained therein, the Issuer at any time determines that any holder of an interest in a Rule 144A Note is a Non-Permitted Holder, the Issuer shall, promptly after determination that such person is a Non-Permitted Holder by the Issuer or a Transfer Agent (and notice by such Transfer Agent to the Issuer if the Transfer Agent makes the determination), send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its interest to a person that is not a Non-Permitted Holder within 30 days of the date of such notice. If such Non-Permitted Holder fails to effect the transfer required within such 30 day period, (a) upon direction from the Issuer or the Collateral Manager on its behalf, a Transfer Agent, on behalf of and at the expense of the Issuer, shall cause such beneficial interest to be transferred in a sale to a person or entity that certifies to such Transfer Agent and the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and

(b) pending such transfer, no further payments will be made in respect of such beneficial interest.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes (the "**Conditions**") which (subject to amendment and completion) will be endorsed or attached on each Global Certificate and each Note in definitive form (if applicable) and (subject to the provisions thereof) will apply to each such Note.

The issue of the €260,800,000 Class A-1 Senior Secured Floating Rate Notes due 2030 (the "**Class A-1 Notes**"), the €10,600,000 Class A-2 Senior Secured Fixed Rate Notes due 2030 (the "**Class A-2 Notes**" and, together with the Class A-1 Notes, the "**Class A Notes**"), the €47,600,000 Class B-1 Senior Secured Floating Rate Notes due 2030 (the "**Class B-1 Notes**"), the €12,200,000 Class B-2 Senior Secured Fixed Rate Notes due 2030 (the "**Class B-2 Notes**" and, together with the Class B-1 Notes, the "**Class B Notes**" and, the Class B-2 Notes together with the Class A-2 Notes, the "**Fixed Rate Notes**"), the €25,900,000 Class C Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class C Notes**"), the €23,700,000 Class D Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class D Notes**"), the €30,400,000 Class E Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class E Notes**"), the €12,900,000 Class F Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class F Notes**" and together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the "**Rated Notes**" and the Class A-1 Notes, the Class B-1 Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes together, the "**Floating Rate Notes**") and €55,100,000 Subordinated Notes due 2030 (the "**Subordinated Notes**" and together with the Rated Notes, the "**Notes**") of Oak Hill European Credit Partners V Designated Activity Company (the "**Issuer**") was authorised by resolution of the board of directors of the Issuer dated 17 January 2017. The Notes are constituted and secured by a trust deed (together with any other security document entered into in respect of the Notes, the "**Trust Deed**") to be dated on or about 25 January 2017 between (amongst others) the Issuer and BNY Mellon Corporate Trustee Services Limited in its capacity as trustee for the Noteholders and as security trustee for the Secured Parties (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed).

These terms and conditions of the Notes (the "**Conditions of the Notes**" or the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed (which includes the forms of the certificates representing the Notes). The following agreements have been entered into in relation to the Notes: (a) an agency agreement to be dated on or about 25 January 2017 (the "**Agency Agreement**") between, amongst others, the Issuer, The Bank of New York Mellon (Luxembourg) S.A., as registrar (the "**Registrar**", which term shall include any successor or substitute registrar appointed pursuant to the terms of the Agency Agreement) and as transfer agent (the "**Transfer Agent**" which term shall include any successor or substitute transfer agent, and together with the Registrar, the "**Transfer Agents**", each a "**Transfer Agent**"), The Bank of New York Mellon as principal paying agent, account bank, calculation agent and custodian (respectively, "**Principal Paying Agent**", "**Account Bank**", "**Calculation Agent**" and "**Custodian**" which terms shall include any successor or substitute principal paying agent, account bank, calculation agent or custodian, respectively, appointed pursuant to the terms of the Agency Agreement) and the Trustee; (b) a collateral management agreement to be dated on or about 25 January 2017 (the "**Collateral Management Agreement**") between Oak Hill Advisors (Europe), LLP, as collateral manager in respect of the Portfolio (the "**Collateral Manager**", which term shall include any successor collateral manager appointed pursuant to the terms of the Collateral Management Agreement), the Issuer, The Bank of New York Mellon SA/NV, as collateral administrator (the "**Collateral Administrator**") and as information agent (the "**Information Agent**") which terms shall include, as applicable, any successor collateral administrator and information agent appointed pursuant to the terms of the Collateral Management Agreement), the Custodian and the Trustee; (c) a corporate services agreement between the Issuer and Maples Fiduciary Services (Ireland) Limited as corporate services provider dated 22 August 2016 (the "**Corporate Services Agreement**"); and (d) a placement agency agreement dated on or about 25 January 2017 (the "**Placement Agreement**") between the Issuer and Goldman Sachs International as placement agent. Copies of the Trust Deed, the Agency Agreement and the Collateral Management Agreement are available for inspection during usual business hours at

the principal office of the Issuer (presently at 2nd Floor, Beaux Lane House Mercer Street Lower, Dublin 2, Ireland) and at the specified offices of the Transfer Agents for the time being. The holders of each Class of Notes are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Trust Deed, and are deemed to have notice of all the provisions of the other Transaction Documents.

1. Definitions

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

"**Accounts**" means the Principal Account, the Interest Account, the Unused Proceeds Account, the Payment Account, the Expense Reserve Account, the Collateral Enhancement Account, each Counterparty Downgrade Collateral Account, the Contributions Account, the Custody Account, each Hedge Termination Account, each Non-Euro Hedge Account, the Unfunded Revolver Reserve Account, the Collection Account, the Interest Reserve Account and the Interest Smoothing Account.

"**Accrual Period**" means, in respect of each Class of Notes, the period from and including the Issue Date (or in the case of a Class that is subject to Refinancing, the Business Day upon which the Refinancing occurs) to, but excluding, the first Payment Date (or in the case of a Class that is subject to Refinancing, the first Payment Date following the Refinancing) and each successive period from and including each Payment Date to, but excluding, the following Payment Date or if earlier, the Business Day upon which the relevant Class is subject to a Refinancing; *provided that*, for the purposes of calculating the interest payable in accordance with Condition 6(e)(iv) (*Interest Proceeds in respect of Fixed Rate Notes*), the Payment Date shall not be adjusted if the relevant Payment Date falls on a day other than a Business Day.

"**Adjusted Aggregate Collateral Balance**" means, as of any date of determination:

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

(b) unpaid Purchased Accrued Interest (other than with respect to Defaulted Obligations); *plus*

(c) without duplication, the amounts on deposit in the Principal Account and the Unused Proceeds Account (to the extent such amounts represent Principal Proceeds) (including Eligible Investments therein which represent Principal Proceeds); *plus*

(d) the lesser of (x) the sum of the Moody's Collateral Value of each Deferring Security and Defaulted Obligation and (y) the sum of the Fitch Collateral Value of each Deferring Security and Defaulted Obligation; *provided that* Defaulted Obligations that have constituted Defaulted Obligations for a period of at least three years, and continues to be a Defaulted Obligation on such date, shall be deemed to have a value of zero; *plus*

(e) the aggregate, for each Discount Obligation and Yield Adjusted Collateral Debt Obligation, of the product of the (x) purchase price (expressed as a percentage of par and excluding accrued interest) and (y) Principal Balance of such Discount Obligation or Yield Adjusted Collateral Debt Obligation, as the case may be; *minus*

(f) the Excess CCC/Caa Adjustment Amount;

provided that:

(i) with respect to any Collateral Debt Obligation that satisfies more than one of the definitions of Defaulted Obligation, Discount Obligation, Yield Adjusted Collateral Debt Obligation, Deferring Security and/or that falls into the Excess CCC/Caa Adjustment Amount, such Collateral Debt Obligation shall, for the purposes of this

definition, be treated as belonging to the category of Collateral Debt Obligations which results in the lowest Adjusted Aggregate Collateral Balance on any date of determination; and

(ii) in respect of paragraph (ii) above, any non-Euro amounts received will be converted into Euro (x) in the case of each Non-Euro Obligation which is subject to an Asset Swap Transaction, at the Applicable Exchange Rate for the related Hedge Transaction and (y) in the case of each Non-Euro Obligation which is not subject to an Asset Swap Transaction, at the Spot Rate.

"**Administrative Expenses**" means amounts due and payable by the Issuer in the following order of priority including, except as expressly set out otherwise below, any VAT (including any reverse charge VAT) thereon (whether payable to that party or the relevant tax authority):

(a) on a *pro rata* and *pari passu* basis, to (a) the Agents (other than each Reporting Delegate) pursuant to the Agency Agreement (including legal expenses, reimbursements and amounts payable by way of indemnity) and, in the case of the Information Agent and Collateral Administrator, the Collateral Management Agreement (including, by way of indemnity) and (b) the Corporate Services Provider pursuant to the Corporate Services Agreement;

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

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

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

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

(iii) to the Collateral Manager pursuant to the Collateral Management Agreement (including but not limited to, amounts by way of indemnity and all ordinary expenses), costs, fees, out of pocket expenses, brokerage fees incurred by the Collateral Manager and the costs and expenses of any agents providing systems administration services to the Collateral Manager (including indemnities provided for therein), but excluding any Collateral Management Fees or any VAT payable thereon and excluding any amounts in respect of Collateral Manager Advances;

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

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

(vi) on a *pro rata* basis to any other Person in respect of any other fees or expenses contemplated in the Conditions of the Notes and in the Transaction Documents or any other documents delivered pursuant to or in connection with the issue and sale of the Notes which are not otherwise provided for elsewhere in this definition or in the Priorities of Payments, including, without limitation, amounts payable to any listing agent and in respect of any fees and expenses incurred by the Issuer (in its sole and absolute discretion) in assisting in the preparation, provision or validation of data for purposes of Noteholder tax jurisdictions;

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

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

(ix) to the Arranger pursuant to Placement Agreement (including indemnities provided for therein);

(x) to the Placement Agent pursuant to Placement Agreement (including indemnities provided for therein); and

(xi) any reasonably anticipated winding up costs of the Issuer;

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

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

(ii) on a *pro rata* basis to any other Person (including the Collateral Manager) in connection with satisfying the EU Retention Requirements including any costs or fees related to additional due diligence or reporting requirements;

(iii) the aggregate cumulative costs of the Issuer of complying with FATCA, including the fees and expenses of the Collateral Manager and any other agent or appointee appointed by or on behalf of the Issuer to help the Issuer comply with FATCA, CRS and any similar information reporting regime (to the extent not otherwise covered above); and

(iv) reasonable fees, costs and expenses of the Issuer and the Collateral Manager including reasonable attorney's fees of compliance by the Issuer and the Collateral Manager with the United States Commodity Exchange Act of 1936, as amended (including rules and regulations promulgated thereunder) and fees related to the administration of the Portfolio including administrators and trustees;

(e) any Refinancing Costs (including any amounts reserved or to be reserved to fund the payment of any anticipated fees, costs, charges and expenses that may be incurred by or on behalf of the Issuer in respect of any expected Refinancing);

(f) on a *pro rata* basis payment of any indemnities (to the extent not already covered in paragraphs (a) to (e) above) payable to any Person as contemplated in these Conditions or the Transaction Documents; and

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

provided that (x) the Collateral Manager may direct the payment of any Rating Agency fees set out in (c)(i) above other than in the order required by paragraph (c) above if the Collateral Manager, Trustee or Issuer has been advised by a Rating Agency that non-payment of its fees will immediately result in the withdrawal of any ratings on any Class of Rated Notes; and (y) the Collateral Manager may, in its reasonable judgement, determine a payment other than in the order required by paragraph (c) above is required to ensure the delivery of certain accounting services and reports.

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

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

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

(i) of such Person;

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

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

For the purposes of this definition, control of a Person shall mean the power, direct or indirect, (x) to vote more than 50 per cent. 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 the avoidance of doubt, "**Affiliate**" or "**Affiliated**" in relation to the Issuer and the Collateral Manager shall not include portfolio companies in which funds managed or advised by Affiliates of the Collateral Manager hold an interest.

"**Agent**" means each of the Registrar, the Principal Paying Agent, each Transfer Agent, each Paying Agent, the Calculation Agent, the Account Bank, the Collateral Administrator, the Information Agent, each Reporting Delegate and the Custodian and each of their permitted successors or assigns appointed as agents of the Issuer pursuant to the Agency Agreement, any Reporting Delegation Agreement or the Collateral Management Agreement, as the case may be, and "**Agents**" shall be construed accordingly.

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

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

(i) the Portfolio Profile Tests, the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value,

(ii) the Collateral Quality Tests, the Principal Balance of each Defaulted Obligation shall be excluded;

(iii) determining whether a Note Event of Default has occurred in accordance with Condition 10(a)(iv) (*Collateral Debt Obligations*), the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value; and

(b) the Balances standing to the credit of the Principal Account and the Unused Proceeds Account and any Eligible Investments which represent Principal Proceeds (excluding, for the avoidance of doubt, any interest accrued on Eligible Investments).

"**Aggregate Principal Balance**" means the aggregate of the Principal Balances of all the Collateral Debt Obligations and when used with respect to some portion of the Collateral Debt Obligations, means the aggregate of such portion of the Principal Balances of such Collateral Debt Obligations, in each case, as at the date of determination. For the purposes of determining the Aggregate Principal Balance for the purposes of the Originator Requirement, the Principal Balance of each Collateral Debt Obligation shall be its Principal Balance determined without any adjustments for purchase price or the application of haircuts or other adjustments.

"**Aggregate Risk Adjusted Par Amount**" means, as of any date of determination, the amount specified in the table below corresponding to the number of quarters since the Issue Date (listed sequentially, commencing on the Issue Date) that have elapsed as at such date of determination:

Number of quarters following the Issue Date	Aggregate Risk Adjusted Par Amount (in Euro)
0	460,000,000
2	458,612,333
3	457,909,128
4	457,207,000
5	456,521,190
6	455,828,799
7	455,129,862
8	454,431,996
9	453,750,348
10	453,062,160
11	452,367,465
12	451,673,835
13	450,988,796
14	450,304,796
15	449,614,329
16	448,924,920
17	448,251,533
18	447,571,685
19	446,885,408
20	446,200,184
21	445,530,884
22	444,855,162
23	444,173,051
24	443,491,985
25	442,826,747
26	442,155,127
27	441,477,156
28	440,800,224
29	440,131,677
30	439,464,144
31	438,790,299
32	438,117,487
33	437,460,311
34	436,796,829
35	436,127,074
36	435,458,346
37	434,805,159
38	434,145,704
39	433,480,014
40	432,815,345

Number of quarters following the Issue Date	Aggregate Risk Adjusted Par Amount (in Euro)
41	432,166,122
42	431,510,670
43	430,849,020
44	430,188,385
45	429,535,932
46	428,884,470
47	428,226,847
48	427,570,232
49	426,928,877
50	426,281,368
51	425,627,737
52	424,975,107

"**AIFMD**" means the European Union Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 as amended from time to time and EU Directive 2011/61/EU on Alternative Investment Fund Managers (as amended from time to time and as implemented by Member States of the European Union) together with any implementing or delegated regulations, technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.

"**AIFMD Retention Requirements**" means Article 17 of the AIFMD, as implemented by Section 5 of the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFMD, including any guidance published in relation thereto and any implementing laws or regulations in force in any Member State of the European Union, provided that references to AIFMD Retention Requirements shall be deemed to include any successor or replacement provisions of Section 5 included in any European Union directive or regulation subsequent to AIFMD or the Commission Delegated Regulation (EU) No 231/2013.

"**Annual Obligations**" means Collateral Debt Obligations which in accordance with their terms, at the relevant date of measurement, pay interest less frequently than semi-annually (other than, for the purposes of the Portfolio Profile Tests only, PIK Obligations).

"**Applicable Exchange Rate**" means, in relation to any Asset Swap Obligation, the exchange rate set out in the relevant Hedge Transaction, and in any other case, the Spot Rate.

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

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

"**Asset Swap Agreement**" means a 1992 ISDA Master Agreement (Multicurrency-Cross-Border) or a 2002 ISDA Master Agreement (or such other ISDA *pro forma* Master Agreement as may be published by ISDA from time to time), together with the schedule and confirmations relating thereto including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof, each as amended or supplemented from time to time, and entered into by the Issuer with an Asset Swap Counterparty which shall govern one or more Asset Swap Transactions entered into by the Issuer and such Asset Swap Counterparty (including any Replacement Asset Swap Transaction) under which the Issuer swaps cash flows receivable on such Asset Swap Obligations for Euro denominated cash flows from each Asset Swap Counterparty.

"**Asset Swap Counterparty**" means any financial institution with which the Issuer enters into an Asset Swap Transaction, or any permitted assignee or successor thereof, under the terms of the related Asset Swap Transaction and, in each case, which satisfies, at the time of entry into the Asset Swap Transaction, the applicable Rating Requirement (or whose obligations are guaranteed by a guarantor which satisfies the applicable Rating Requirement).

"**Asset Swap Counterparty Principal Exchange Amount**" means each initial, interim and final exchange amount (whether expressed as such or otherwise) scheduled to be paid by the Asset Swap Counterparty to the Issuer under an Asset Swap Transaction and excluding any Scheduled Periodic Asset Swap Counterparty Payments but including any amounts described as termination payments in the relevant Asset Swap Agreement which relate to payments to be made as a result of the relevant Asset Swap Obligation being sold or becoming subject to a credit event or debt restructuring.

"**Asset Swap Issuer Principal Exchange Amount**" means each initial, interim and final exchange amount (whether expressed as such or otherwise) scheduled to be paid to the Asset Swap Counterparty by the Issuer under an Asset Swap Transaction and excluding any Scheduled Periodic Asset Swap Issuer Payments but including any amounts described as termination payments in the relevant Asset Swap Agreement which relate to payments to be made as a result of the relevant Asset Swap Obligation being sold or becoming subject to a credit event or debt restructuring.

"**Asset Swap Obligation**" means any Collateral Debt Obligation which is denominated in a Qualifying Currency other than Euro and which (i) is, or the Collateral Manager anticipates will no later than the settlement date thereof become, the subject of an Asset Swap Transaction or (ii) (a) is denominated in a Qualifying Unhedged Obligation Currency, (b) was previously an Unhedged Collateral Debt Obligation and (c) is subject to an Asset Swap Transaction (entered into not later than 90 calendar days of the settlement thereof).

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

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

"**Asset Swap Termination Payment**" means the amount payable to an Asset Swap Counterparty by the Issuer upon termination or modification of an Asset Swap Transaction excluding, for purposes other than payment by the Issuer, any due and unpaid scheduled amounts payable thereunder and any Asset Swap Issuer Principal Exchange Amounts.

"**Asset Swap Termination Receipt**" means the amount payable by an Asset Swap Counterparty to the Issuer upon termination or modification of an Asset Swap Transaction excluding, for purposes other than payment to the applicable Account to which the Issuer shall credit such amounts, the portion thereof representing any due and unpaid scheduled amounts payable thereunder and any Asset Swap Counterparty Principal Exchange Amounts.

"**Asset Swap Transaction**" means each asset swap transaction entered into under an Asset Swap Agreement.

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

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

"**Authorised Integral Amount**" means for each Class of Notes, €1,000.

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

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

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

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

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

provided that (x) to the extent that the Hedge Agreement Eligibility Criteria has been satisfied and an Asset Swap Agreement is in place, amounts standing to the credit of the Non-Euro Hedge Account shall be converted into Euro at the Applicable Exchange Rate, (y) to the extent that no Asset Swap Agreement is in place, any balance which is denominated in a currency other than Euro shall be converted into Euro at the Spot Rate (as determined by the Collateral Manager) and (z) in the event that a default as to payment of principal and/or interest has occurred and is continuing (disregarding any grace periods provided for pursuant to the terms thereof) in respect of any Eligible Investment or any material obligation of the obligor thereunder which is senior or equal in right of payment to such Eligible Investment such Eligible Investment shall have a value equal to the lesser of its Moody's Collateral Value and its Fitch Collateral Value (determined as if such Eligible Investment were a Collateral Debt Obligation).

"**Benefit Plan Investor**" means:

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

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

(c) any entity whose underlying assets include plan assets by reason of such an employee benefit plan's or plan's investment in such entity, but only to the extent of the percentage of the equity interests in such entity that are held by Benefit Plan Investors.

"**Bivariate Risk Table**" has the meaning given to it in the Collateral Management Agreement.

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

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

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

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

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

"**CCC/Caa Excess**" means an amount equal to the greater of:

(a) the excess of the aggregate Principal Balance of all Moody's Caa Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be its Moody's Collateral Value); and

(b) the excess of the aggregate Principal Balance of all Fitch CCC Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be its Fitch Collateral Value),

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

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

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

"**CEA**" means the United States Commodity Exchange Act of 1936, as amended.

"**CFTC**" means the Commodity Futures Trading Commission and any replacement or successor thereto.

"**Class A Noteholders**" means the Class A-1 Noteholders and the Class A-2 Noteholders from time to time.

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

"**Class A/B Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the sum of the scheduled Interest Amounts due on the Class A Notes and the Class B Notes on the next following Payment Date. For the purposes of calculating the Class A/B Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected Interest Amounts payable on the Class A Notes and the Class B Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class A/B Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date and which will be satisfied on such Measurement Date if the Class A/B Interest Coverage Ratio is at least equal to 120.0 per cent.

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

"**Class A/B Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class A/B Par Value Ratio is at least equal to 129.9 per cent.

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

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

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

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

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

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

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

"**Class A-2 Fixed Rate of Interest**" has the meaning given thereto in Condition 6(e)(iv) (*Interest Proceeds in respect of Fixed Rate Notes*).

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

"**Class B Noteholders**" means the Class B-1 Noteholders and the Class B-2 Noteholders from time to time.

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

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

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

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

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

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

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

"**Class B-2 Fixed Rate of Interest**" has the meaning given thereto in Condition 6(e)(iv) (*Interest Proceeds in respect of Fixed Rate Notes*).

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

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

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

"**Class C CM Voting Notes**" means the Class C Notes in the form of CM Voting Notes.

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

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

"**Class C Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date and which will be satisfied on such Measurement Date if the Class C Interest Coverage Ratio is at least equal to 110.0 per cent.

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

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

"**Class C Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class C Par Value Ratio is at least equal to 121.8 per cent.

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

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

"**Class D CM Voting Notes**" means the Class D Notes in the form of CM Voting Notes.

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

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

"**Class D Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date and which will be satisfied on such Measurement Date if the Class D Interest Coverage Ratio is at least equal to 105.0 per cent.

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

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

"**Class D Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class D Par Value Ratio is at least equal to 115.3 per cent.

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

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

"**Class E Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date and which will be satisfied on such Measurement Date if the Class E Interest Coverage Ratio is at least equal to 101.0 per cent.

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

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

"**Class E Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class E Par Value Ratio is at least equal to 107.4 per cent.

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

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

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

(a) the Class A-1 Notes;

(b) the Class A-2 Notes;

(c) the Class B-1 Notes;

(d) the Class B-2 Notes;

(e) the Class C Notes;

(f) the Class D Notes;

(g) the Class E Notes;

(h) the Class F Notes; and

(i) the Subordinated Notes,

and "**Class of Noteholders**" and "**Class**" shall be construed accordingly, and such references shall include any Notes issued pursuant to Condition 17 (*Additional Issuance*) and any Notes issued pursuant to a Refinancing *provided that*, notwithstanding that the CM Voting Notes, CM Non-Voting Exchangeable and the CM Non-Voting Notes of a single Class are in the same Class, they shall not be treated as a single Class in respect of any consent, direction, objection, approval, vote or determination of quorum under the Trust Deed in connection with any CM Removal Resolution or CM Replacement Resolution and, instead, the CM Voting Notes shall be treated as the relevant Class solely for such purpose *and provided further that* (a) the Class A-1 Notes and the Class A-2 Notes together and (b) the Class B-1 Notes and the Class B-2 Notes together shall each be treated as a single Class in respect of any consent, direction, objection, approval, vote or determination of quorum under the Trust Deed or these Conditions.

"**Clearing System**" means, where the context admits, any or all of Euroclear, Clearstream, Luxembourg and any other clearing system approved by the Issuer, the Trustee, the Custodian, the Registrar and the Collateral Manager.

"**Clearing System Business Day**" means a day on which all of the Clearing Systems are open for business.

"**Clearstream, Luxembourg**" means Clearstream Banking, *société anonyme*.

"**CM Non-Voting Exchangeable Notes**" means Notes which:

(a) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on a CM Removal Resolution or a CM Replacement Resolution but which do carry a right to vote on and be so counted in respect of all other matters in respect of which Noteholders have a right to vote and be so counted; and

(b) are exchangeable into CM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor.

"**CM Non-Voting Notes**" means Notes which:

(a) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on a CM Removal Resolution or a CM Replacement Resolution but which do carry a right to vote on and be so counted in respect of all other matters in respect of which Noteholders have a right to vote and be so counted; and

(b) are not exchangeable into CM Voting Notes or CM Non-Voting Exchangeable Notes at any time.

"**CM Voting Notes**" means Notes which

(a) carry a right to vote, in respect of and be counted for the purposes of determining a quorum and the result of voting on a CM Removal Resolution or a CM Replacement Resolution and all other matters as to which Noteholders are entitled to vote and be so counted; and

(b) are exchangeable into CM Non-Voting Notes or CM Non-Voting Exchangeable Notes at any time.

"**CM Removal Resolution**" means any Resolution, vote, written direction or consent of the Noteholders in relation to the removal of the Collateral Manager in accordance with the Collateral

Management Agreement following the occurrence of a Collateral Manager Event of Default (other than pursuant to paragraph (vii) of the definition thereof).

"**CM Replacement Resolution**" means any Resolution, vote, written direction or consent of the Noteholders in relation to the appointment of a successor Collateral Manager or any assignment or delegation by the Collateral Manager of its rights or obligations, in each case, in accordance with the Collateral Management Agreement.

"**Collateral**" means the property, assets and rights described in Condition 4(a) (*Security*) which are charged and assigned to the Trustee from time to time for the benefit of the Secured Parties pursuant to the Trust Deed.

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

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

"**Collateral Debt Obligation**" means any debt obligation or debt security purchased (including by way of Participation) by or on behalf of the Issuer from time to time (or, if the context so requires, to be purchased by or on behalf of the Issuer) and which the Collateral Manager determines in accordance with the Collateral Management Agreement satisfies the Eligibility Criteria at the relevant time. References to Collateral Debt Obligations shall not include Collateral Enhancement Debt Obligations, Eligible Investments or Exchanged Securities. Obligations which are to constitute Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to purchase but which have not yet settled shall be included as Collateral Debt Obligations in the calculation of the Portfolio Profile Tests, the Collateral Quality Tests, the Coverage Tests, the Interest Diversion Test and all other tests and criteria applicable to the Portfolio at any time as if such purchase had been completed; and Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell but which have not yet settled shall be excluded as Collateral Debt Obligations in the calculation of the Portfolio Profile Tests, the Collateral Quality Tests, the Coverage Tests, the Interest Diversion Test and all other tests and criteria applicable to the Portfolio at any time as if such sale had been completed. The failure of any obligation to satisfy the Eligibility Criteria at any time after the Issuer or the Collateral Manager on behalf of the Issuer has entered into a binding agreement to purchase it, shall not cause such obligation to cease to constitute a Collateral Debt Obligation unless it is an Issue Date Collateral Debt Obligation which does not satisfy the Eligibility Criteria on the Issue Date. A Collateral Debt Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) shall only constitute a Collateral Debt Obligation if it is a Restructured Obligation.

"**Collateral Enhancement Account**" means an account in the name of the Issuer, so entitled and held with the Account Bank.

"**Collateral Enhancement Amount**" means, with respect to any Payment Date, the amount of Interest Proceeds retained in the Collateral Enhancement Account on the Payment Date in accordance with the Interest Proceeds Priority of Payments, at the sole discretion of the Collateral Manager which amounts shall not exceed an aggregate amount for all applicable Payment Dates of 1.5 per cent. of the Target Par Amount.

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

"**Collateral Enhancement Debt Obligation**" means any warrant, debt obligation (other than a Restructured Obligation) or Equity Security, but including without limitation, warrants relating to Mezzanine Obligations and any Equity Security received upon conversion or exchange of, or exercise

of an option under, or otherwise in respect of a Collateral Debt Obligation; or any warrant or Equity Security purchased as part of a unit with a Collateral Debt Obligation (but in all cases, excluding, for the avoidance of doubt, the Collateral Debt Obligation), or any securities or interests resulting from the exercise of an option, warrant, right of conversion, pre-emptive right, rights offering, credit bid or similar right in connection with the workout or restructuring of a Collateral Debt Obligation, a debt security or an equity security or interest received in connection with the workout or restructuring of a Collateral Debt Obligation in each case, excluding any Exchanged Securities and in each case the acquisition of which will not result in the imposition of any present or future, actual or contingent liabilities or obligations on the Issuer other than those which may arise at its option. The acquisition of Collateral Enhancement Debt Obligations will not be required to satisfy the Eligibility Criteria.

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

"**Collateral Manager Advance**" means any amount advanced by the Collateral Manager:

(a) for the purchase or exercise of a Collateral Enhancement Debt Obligation, to the extent there are insufficient funds available in the Collateral Enhancement Account, in its sole discretion; and

(b) as a contribution to Interest Proceeds or Principal Proceeds, to be applied in accordance with the applicable Priorities of Payments,

which shall bear interest in accordance with the Collateral Management Agreement at a rate equal to EURIBOR plus 2.0 per cent. per annum or such other lower rate as may be agreed among the Collateral Manager and the Issuer from time to time. No Collateral Manager Advance may be for an amount less than €500,000 and no more than 5 Collateral Manager Advances shall be permitted.

"**Collateral Quality Tests**" means the Collateral Quality Tests set out in the Collateral Management Agreement being each of the following:

(a) so long as any Notes rated by Moody's are Outstanding:

  (i) the Moody's Minimum Diversity Test;

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

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

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

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

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

(c) so long as any Rated Notes are Outstanding:

  (i) the Weighted Average Life Test;

  (ii) the Minimum Weighted Average Spread Test; and

  (iii) the Minimum Weighted Average Coupon Test,

each as defined in the Collateral Management Agreement.

"**Collateral Tax Event**" means at any time, as a result of the introduction of a new, or any change in, any home jurisdiction or foreign tax statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation (whether proposed, temporary or final):

(a) interest, discount or premium due from the Obligors of any Collateral Debt Obligations (or from Selling Institutions in the case of Participations) in relation to any Due Period becoming properly subject to the imposition of home jurisdiction or foreign withholding tax (other than where such withholding tax is compensated for by a "gross up" provision in the terms of the Collateral Debt Obligation or such requirement to withhold is eliminated pursuant to a double taxation treaty or otherwise so that the Issuer as holder thereof (either directly or indirectly through a Participation) is held completely harmless from the full amount of such withholding tax on an after tax basis) so that the aggregate amount of such withholding tax on all Collateral Debt Obligations in relation to such Due Period is equal to or in excess of 6 per cent. of the aggregate interest payments due (for the avoidance of doubt, excluding any additional interest arising as a result of the operation of any gross up provision) on all Collateral Debt Obligations in relation to such Due Period; or

(b) taxes with respect to FATCA become due or expected to become due in the future in an amount in excess of USD 500,000.

"**Collection Account**" means the account described as such in the name of the Issuer held with the Account Bank.

"**Commitment Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, the maximum aggregate outstanding principal amount (whether at the time funded or unfunded) of advances or other extensions of credit at any one time outstanding that the Issuer could be required to make to the Obligor under the Underlying Instruments relating thereto or to a funding bank in connection with any ancillary facilities related thereto.

"**Common Reporting Standard**" or "**CRS**" means the common reporting standard more fully described as the Standard for Automatic Exchange of Financial Account Information in Tax Matters published by the Council of the Organisation for Economic Cooperation and Development on 21 July 2014.

"**Contribution**" has the meaning specified in Condition 2(k) (*Contributions*).

"**Contributions Account**" means the account described as such in the name of the Issuer held with the Account Bank.

"**Contributor**" has the meaning specified in Condition 2(k) (*Contributions*).

"**Controlling Class**" means:

(a) the Class A Notes; or

(b) (i) following redemption and payment in full of the Class A Notes; or

(ii) prior to the redemption and payment in full of the Class A Notes and solely in connection with a CM Removal Resolution or a CM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes is held in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes,

the Class B Notes; or

(c) (i) following redemption and payment in full of the Class A Notes and the Class B Notes; or

(ii) prior to the redemption and payment in full of the Class A Notes and the Class B Notes and solely in connection with a CM Removal Resolution or a CM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of each of the Class

A Notes and the Class B Notes is held in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes,

the Class C Notes; or

(d) (i) following redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes; or

(ii) prior to the redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes and solely in connection with a CM Removal Resolution or a CM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes and the Class C Notes is held in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes,

the Class D Notes; or

(e) (i) following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes; or

(ii) prior to the redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and solely in connection with a CM Removal Resolution or a CM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes is held in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes,

the Class E Notes; or

(f) following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the Class F Notes; or

(g) following redemption and payment in full of all of the Rated Notes, the Subordinated Notes,

provided that, solely in connection with a CM Removal Resolution or a CM Replacement Resolution, no Notes held in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of such CM Removal Resolution or CM Replacement Resolution or (C) be counted for the purposes of determining a quorum or the result of voting in respect of such CM Removal Resolution or CM Replacement Resolution and provided further that, in the event of any redemption in full of any one or more Classes of Rated Notes where there is a simultaneous Refinancing of such Class(es) in accordance with the Conditions, then for the purpose of this definition, there shall not be deemed to be a redemption, and such Class(es) shall remain Outstanding.

"**Controlling Person**" means a person (other than a Benefit Plan Investor) with discretionary authority or control over the assets of the entity or who provides investment advice for a fee (direct or indirect) with respect to such assets (such as the Collateral Manager), and their respective Affiliates.

"**Corporate Rescue Loan**" means as determined by the Collateral Manager, any interest in a loan or financing facility that is acquired directly by way of assignment, novation or indirectly by way of sub-participation, which is paying interest on a current basis (except to the extent of any deferred in accordance with its terms) and, if applicable, principal on a current basis, has a Moody's Rating determined in accordance with (a)(i) of the definition of Moody's Rating of not lower than "Caa3" and either:

(a) is an obligation of a debtor in possession as described in § 1107 of the United States Bankruptcy Code or a trustee (if appointment of such trustee has been ordered pursuant to § 1104 of the United States Bankruptcy Code) (a "**Debtor**") organised under the laws of the

United States or any State therein, the terms of which have been approved by an order of the United States Bankruptcy Court, the United States District Court, or any other court of competent jurisdiction, the enforceability of which order is not subject to any pending contested matter or proceeding (as such terms are defined in the Federal Rules of Bankruptcy Procedure) and which order provides that (x) such Corporate Rescue Loan is secured by liens on the Debtor's otherwise unencumbered assets pursuant to § 364(c)(2) of the United States Bankruptcy Code; or (y) such Corporate Rescue Loan is secured by liens of equal or senior priority on property of the Debtor's estate that is otherwise subject to a lien pursuant to § 364(d) of the United States Bankruptcy Code; or (z) such Corporate Rescue Loan is secured by junior liens on the Debtor's encumbered assets and such Corporate Rescue Loan is fully secured based upon a current valuation or appraisal report; or (zz) if the Corporate Rescue Loan or any portion thereof is unsecured, the repayment of such Corporate Rescue Loan retains priority over all other administrative expenses pursuant to § 364(c)(1) of the United States Bankruptcy Code; or

(b) is a credit facility or other advance made available to a company or group not organised under laws of the United States or any State therein in a restructuring or insolvency process which constitutes the most senior secured obligations of the entity which is the Obligor thereof, *provided such* Obligor is not organised under the laws of the United States or any State therein and either (x) ranks *pari passu* in all respects with the other senior secured debt of the Obligor, *provided that* such facility is entitled to recover proceeds of enforcement of security shared with the other senior secured indebtedness (e.g. bonds) of the Obligor and its subsidiaries in priority to all such other senior secured indebtedness, or (y) achieves priority over other senior secured obligations of the Obligor otherwise than through the grant of security, such as pursuant to the operation of applicable insolvency legislation (including as an expense of the restructuring or insolvency process) or other applicable law,

provided that if, at any time a Collateral Debt Obligation that is a Corporate Rescue Loan in accordance with the provisions above:

(i) has a Moody's Rating of not less than "Caa1" or a Fitch Rating of not less than "CCC"; and

(ii) either:

(A) the relevant Obligor is no longer a Debtor as described in paragraph (a) above; or

(B) the restructuring or insolvency process referred to in paragraph (b) above pursuant to which such Collateral Debt Obligation was made available is complete and no further restructuring or insolvency process is outstanding in respect of the relevant Obligor,

such Collateral Debt Obligation shall no longer be a Corporate Rescue Loan.

"**Corporate Services Provider**" means Maples Fiduciary Services (Ireland) Limited.

"**Counterparty Downgrade Collateral**" means any cash and/or securities delivered to the Issuer as collateral for the obligations of a Hedge Counterparty under a Hedge Transaction.

"**Counterparty Downgrade Collateral Account**" means one or more accounts of the Issuer with the Custodian into which all Counterparty Downgrade Collateral received from a Hedge Counterparty is to be deposited. A separate Counterparty Downgrade Collateral Account shall be opened in respect of each Hedge Counterparty as and when required.

"**Counterparty Downgrade Collateral Account Surplus**" has the meaning given thereto in Condition 3(k)(v)(B)(3) (*Counterparty Downgrade Collateral Accounts*).

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

"**Cov-Lite Loan**" means a Senior Secured Loan that in the reasonable commercial judgement of the Collateral Manager (a) does not contain any financial covenants; or (b) requires the Obligor to comply with an Incurrence Covenant, but does not require the Obligor to comply with a Maintenance Covenant; provided that for all purposes such a Senior Secured Loan which either contains a cross-default or cross –acceleration provision to, or ranks *pari passu* with, or senior to another obligation of the Obligor that requires the Obligor to comply with a Maintenance Covenant shall be deemed not to be a Cov-Lite Loan and for the avoidance of doubt, a loan that is capable of being described in clause (a) or (b) above only (x) until the scheduled expiration of any initial grace period or adjustment period with respect to the applicable Maintenance Covenant(s) or (y) in the case of a revolving loan or a delayed draw loan of the Obligor, until such revolving loan or a delayed draw loan is funded above a certain threshold, in each case as set forth in the related Underlying Instrument, shall be deemed not to be a Cov-Lite Loan.

"**CPO**" means a commodity pool operator as defined in the U.S. Commodity Exchange Act, as amended.

"**Credit Impaired Obligation**" means any Collateral Debt Obligation that, in the Collateral Manager's commercially reasonable judgment (which judgement will not be called into question as a result of subsequent events), has a significant risk of declining in credit quality or price or where the relevant Obligor has failed to meet its other financial obligations; *provided that* at any time during a Restricted Trading Period or following the expiry of the Reinvestment Period, a Collateral Debt Obligation will qualify as a Credit Impaired Obligation for purposes of sales of Collateral Debt Obligations only if: (i) at least one of the Credit Impaired Obligation Criteria is satisfied with respect to such Collateral Debt Obligation; or (ii) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Debt Obligation as a Credit Impaired Obligation.

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

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

(b) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation which is a bond or security, the price of such obligation has changed since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by a percentage either at least 1.00 per cent. more negative or at least 1.00 per cent. less positive, as the case may be, than the percentage change in the Eligible Bond Index selected by the Collateral Manager over the same period, as determined by the Collateral Manager;

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

(d) if such Collateral Debt Obligation is a loan obligation or a floating rate note, the spread over the applicable reference rate for such Collateral Debt Obligation has been increased in accordance with the underlying Collateral Debt Obligation since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation due to a deterioration in the Obligor's financial ratios or financial results;

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

(f) its earnings before interest, taxation, depreciation and amortisation have worsened by at least 5 per cent. relative to such earnings as at the time that the Collateral Debt Obligation was purchased by the Issuer; or the ratio of its total outstanding indebtedness to such earnings has increased by more than 0.5 times relative to such ratio as at the time that the Collateral Debt Obligation was purchased by the Issuer;

(g) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation, there has been a percentage increase in the difference between its yield and the yield on German government Bund securities of comparable maturity of more than 7.5 per cent. since the date on which such Collateral Debt Obligation was acquired by the Issuer; or

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

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

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

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

(b) if such Collateral Debt Obligation is a loan obligation, or floating rate note, the price of such loan obligation has changed during the period from the date on which the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation to the proposed sale date by a percentage either at least 0.25 per cent. more positive, or 0.25 per cent. less negative, as the case may be, than the percentage change in the average price of the applicable Eligible Loan Index selected by the Collateral Manager over the same period, as determined by the Collateral Manager;

(c) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation which is a bond or security, the price of such obligation has changed since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by a percentage either at least 1.00 per cent. more positive or at least 1.00 per cent. less negative than the percentage change in the Eligible Bond Index selected by the Collateral Manager over the same period, as determined by the Collateral Manager;

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

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

(f) its earnings before interest, taxation, depreciation and amortisation have improved by at least 5 per cent. relative to such earnings as at the time that the Collateral Debt Obligation was purchased by the Issuer; or the ratio of its total outstanding indebtedness to such earnings has decreased by more than 0.5 times relative to such ratio as at the time that the Collateral Debt Obligation was purchased by the Issuer;

(g) if such Collateral Debt Obligation is a Fixed Rate Collateral Debt Obligation, there has been a percentage decrease in the difference between its yield and the yield on German government Bund securities of comparable maturity of more than 7.5 per cent. since the date on which such Collateral Debt Obligation was acquired by the Issuer;

(h) the obligor of such Collateral Debt Obligation since the date on which such Collateral Debt Obligation was purchased by the Issuer has raised at least 10 per cent. of additional equity capital; or

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

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

"**CRR Retention Requirements**" means Articles 404 to 410 of the CRR, (in each case as implemented by the Member States of the European Union) and together with the Final Technical Standards and any other guidelines and technical standards published in relation thereto by the EBA or contained in any European Commission delegated regulation as may be effective from time to time, in each case together with any amendments to those provisions or any successor or replacement provisions included in any European Union directive or regulation.

"**CTA**" means a commodity trading adviser as defined in the U.S. Commodity Exchange Act, as amended.

"**Current Pay Obligation**" means any Collateral Debt Obligation (other than a Corporate Rescue Loan) that would otherwise be treated as a Defaulted Obligation but as to which:

(a) if the issuer of such Collateral Debt Obligation is not subject to a bankruptcy proceeding, all payments contractually due, including interest and principal payments (if any), were paid in

cash and the Collateral Manager reasonably expects that the next interest and contractual principal payment (if any) due will be paid in cash,

(b) if the Obligor is subject to a bankruptcy or insolvency proceedings, a bankruptcy court has authorised the payment of interest and principal payments (other than amounts due as a result of any automatic acceleration of such Collateral Debt Obligation pursuant to the underlying instruments because of the bankruptcy, receivership or similar proceeding of such obligor) when due thereunder and all such payments have been paid on a current basis in cash, to the knowledge of the Collateral Manager; and

(c) if the Rated Notes are then rated by Moody's the Collateral Debt Obligation has either:

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

(ii) a Moody's Rating of at least "Caa1" and a Market Value of (x)(1) in the case of an Unhedged Collateral Debt Obligation, at least 80 per cent. of its Unhedged Principal Balance, and (2) in the case of all other such Collateral Debt Obligations, at least 80 per cent. of its current Principal Balance, or (y)(1) if such Collateral Debt Obligation is a loan and the price of the Eligible Loan Index is trading below 90 per cent., at least 80 per cent. of the price of such index (with Market Value expressed as a percentage of par) and (2) if such Collateral Debt Obligation is a bond and the price of the Eligible Bond Index is trading below 90 per cent., at least 75 per cent. of the price of such index (with Market Value expressed as a percentage of par); or

(iii) a Moody's Rating of at least "Caa2" and a Market Value of (x)(1) in the case of an Unhedged Collateral Debt Obligation, at least 85 per cent. of its Unhedged Principal Balance, and (2) in the case of all other such Collateral Debt Obligations, at least 85 per cent. of its current Principal Balance, or (y)(1) if such Collateral Debt Obligation is a loan and the price of the Eligible Loan Index is trading below 90 per cent., at least 85 per cent. of the price of such index (with Market Value expressed as a percentage of par) and (2) if such Collateral Debt Obligation is a bond and the price of the Eligible Bond Index is trading below 90 per cent., at least 75 per cent. of the price of such index (with Market Value expressed as a percentage of par),

provided that, as at the relevant date of determination, (x) if the Moody's Rating falls below the rating specified in (i), (y) if the Moody's Rating or the Market Value falls below the rating or market value specified in (ii), or (z) if the Moody's Rating or the Market Value falls below the rating or market value specified in (iii), as the case may be, such Collateral Debt Obligation shall be treated as Defaulted Obligation until such time as it becomes a Current Pay Obligation (by virtue of paragraphs (a), (b) and (c) above being satisfied); *provided further that* if the Moody's Rating of the Collateral Debt Obligation has been withdrawn, the last Moody's Rating of the Collateral Debt Obligation shall be used.

"**Custody Account**" means the custody account or accounts held outside Ireland established on the books of the Custodian in accordance with the provisions of the Agency Agreement, which term shall include each securities account relating to each such Custody Account (if any).

"**Defaulted Deferring Mezzanine Obligation**" means a Mezzanine Obligation which by its contractual terms provides for the deferral of interest and is a Defaulted Obligation.

"**Defaulted Hedge Termination Payment**" means any amount payable by the Issuer to a Hedge Counterparty upon termination of any Hedge Transaction, including any due and unpaid scheduled amounts thereunder in respect of which the Hedge Counterparty was either (x) the "**Defaulting Party**" (as defined in the applicable Hedge Agreement) or (y) the sole "**Affected Party**" (as such term is defined in the applicable Hedge Agreement) in respect of any termination event, howsoever described, resulting from a rating downgrade of the Hedge Counterparty and/or its failure or inability to take any specified action in relation to such rating downgrade within any specified period within

the applicable Hedge Agreement, or in respect of a termination event that is a "**Tax Event Upon Merger**" (as defined in the applicable Hedge Agreement).

"**Defaulted Mezzanine Excess Amounts**" means the lesser of:

(a) the greater of (x) zero and (y) the aggregate of all amounts paid into the Principal Account in respect of each Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation, *minus* the sum of the principal amount of such Mezzanine Obligation outstanding immediately prior to receipt of such amounts *plus* any Purchased Accrued Interest relating thereto; and

(b) all deferred interest paid in respect of each such Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation *minus* any Purchased Accrued Interest relating thereto.

"**Defaulted Obligation**" means a Collateral Debt Obligation as determined by the Collateral Manager in its commercially reasonable judgement (which judgement will not be called into question as a result of subsequent events):

(a) in respect of which there has occurred and is continuing a default with respect to the payment of interest or principal, disregarding any grace periods, waiver or forbearance applicable thereto *provided that* in the case of any Collateral Debt Obligation in respect of which the Collateral Manager has confirmed to the Trustee in writing that, to the knowledge of the Collateral Manager, such default has resulted from non-credit related causes, such Collateral Debt Obligation shall not constitute a "Defaulted Obligation" for the greater of five Business Days, seven calendar days or any grace period applicable thereto, in each case which default entitles the holders thereof, with notice or passage of time or both, to accelerate the maturity of all or a portion of the principal amount of such obligation, but only until such default has been cured;

(b) in respect of which any bankruptcy, insolvency or receivership proceeding has been initiated in connection with the Obligor of such Collateral Debt Obligation and, to the knowledge of the Collateral Manager, such proceedings have not been stayed or dismissed (*provided that* a Collateral Debt Obligation shall not constitute a Defaulted Obligation under this paragraph (b) if it is a Current Pay Obligation);

(c) in respect of which the Collateral Manager knows the Obligor thereunder is in default as to payment of principal and/or interest on another obligation, save for obligations constituting trade debts which the applicable Obligor is disputing in good faith, (and such default has not been cured), but only if (A) both such other obligation and the Collateral Debt Obligation are full recourse, unsecured obligations, the other obligation is senior to, or *pari passu* with, the Collateral Debt Obligation in right of payment or (B) both are full recourse and secured obligations secured by identical collateral and the security interest securing the other obligations ranks at least *pari passu* with the security interest securing the Collateral Debt Obligation and the other obligations rank at least *pari passu* with the Collateral Debt Obligation, and the holders of such obligation have accelerated the maturity of all or a portion of such obligation; *provided that* (x) the Collateral Debt Obligation shall constitute a Defaulted Obligation under this paragraph (c) only until, to the knowledge of the Collateral Manager, such acceleration has been rescinded or (y) a Collateral Debt Obligation shall not constitute a Defaulted Obligation under this paragraph (c) if the Collateral Manager has notified the Rating Agencies and the Trustee in writing of its decision not to treat the Collateral Debt Obligation as a Defaulted Obligation and Rating Agency Confirmation has been received in respect thereof. For the purpose of this paragraph (c), the second sentence of the definition "Rating Agency Confirmation" starting with the words "Notwithstanding anything to the contrary in any Transaction Document and these Conditions…" and ending with "…by such Rating Agency" with respect to Moody's only, shall not apply;

(d) which (i) has a Moody's Rating of "Ca" or "C" or (ii) has a Fitch Rating of "CC" or below or "RD";

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

(f) which would be treated as a Current Pay Obligation except that such Collateral Debt Obligation would result in the Aggregate Collateral Balance of all Collateral Debt Obligations which constitute Current Pay Obligations exceeding 5.0 per cent. of the Aggregate Collateral Balance (which for the purpose of calculating the Aggregate Collateral Balance, the Principal Balance of each Defaulted Obligation shall be the lesser of its Fitch Collateral Value and its Moody's Collateral Value);

(g) in respect of a Collateral Debt Obligation that is a Participation:

(i) the Selling Institution has defaulted in respect of any of its payment obligations under the terms of such Participation;

(ii) the obligation which is the subject of such Participation would constitute a Defaulted Obligation if the Issuer had a direct interest therein; or

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

(h) if the Obligor thereof offers holders of such Collateral Debt Obligation a new security, obligation or package of securities or obligations that amount to a diminished financial obligation (such as preferred or common stock, or debt with a lower coupon or amount) of such Obligor and in the reasonable judgement of the Collateral Manager, such offer has the apparent purpose of helping the Obligor avoid default; *provided*, *however*, such obligation will cease to be a Defaulted Obligation under this paragraph if such new obligation is (x) a Restructured Obligation; and (y) such Restructured Obligation does not otherwise constitute a Defaulted Obligation pursuant to any other paragraph of the definition hereof,

provided that: (i) a Collateral Debt Obligation which is a Corporate Rescue Loan shall constitute a Defaulted Obligation if such Corporate Rescue Loan satisfies this definition of "Defaulted Obligation" other than paragraph (b) through (h) thereof; (ii) save in the case of (f) above, a Collateral Debt Obligation which is a Current Pay Obligation shall not constitute a Defaulted Obligation (provided further that, in determining which of the Current Pay Obligations are to be treated as Defaulted Obligations under this proviso; the Current Pay Obligations with the lowest Market Value expressed as a percentage of par as of the relevant date of determination shall be deemed to constitute the excess) (iii) a Collateral Debt Obligation shall not constitute a Defaulted Obligation under this definition if the Collateral Manager has notified the Rating Agencies and the Trustee in writing of its decision not to treat the Collateral Debt Obligation as a Defaulted Obligation and a Rating Agency Confirmation has been received in respect thereof and (iv) any Collateral Debt Obligation shall cease to be a Defaulted Obligation on the date such obligation no longer satisfies this definition of "Defaulted Obligation".

"**Defaulted Obligation Excess Amounts**" means in respect of a Defaulted Obligation, the greater of (i) zero and (ii) the aggregate of all amounts paid into the Principal Account in respect of such Defaulted Obligation for so long as it is a Defaulted Obligation, *minus* the sum of (a) the Principal Balance of such Defaulted Obligation outstanding immediately prior to receipt of such amounts and (b) any Purchased Accrued Interest in respect of such Defaulted Obligation.

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

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

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

"**Deferring Security**" and collectively "**Deferring Securities**" means a PIK Obligation that is deferring the payment of the current cash interest due thereon and has been so deferring the payment of such interest due thereon:

(a) with respect to Collateral Debt Obligations that have a Moody's Rating of at least "Baa3", for the shorter of two consecutive accrual periods or one year; and

(b) with respect to Collateral Debt Obligations that have a Moody's Rating of "Ba1" or below, for the shorter of one accrual period or six consecutive months,

which deferred capitalised interest has not, as of the date of determination, been paid in cash, *provided however that* such Deferring Security will cease to be a Deferring Security at such time as it (a) ceases to defer or capitalise the payment of interest, (b) commences payment of all current interest in cash and (c) has paid in cash all accrued and unpaid interest that has accrued since the date of acquisition.

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

"**Delayed Drawdown Collateral Debt Obligation**" means a Collateral Debt Obligation, as determined by the Collateral Manager in its reasonable commercial judgement, that: (a) requires the Issuer to make one or more future advances to the borrower under the Underlying Instruments relating thereto; (b) specifies a maximum amount that can be borrowed; and (c) does not permit the re-borrowing of any amount previously repaid; but any such Collateral Debt Obligation will be a Delayed Drawdown Collateral Debt Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"**Determination Date**" means (i) the last Business Day of each Due Period, (ii) in the event of any redemption of the Notes, following the occurrence of a Note Event of Default, five Business Days prior to the applicable Redemption Date or (iii) in relation to a Redemption Date under Condition 7(b) (*Optional Redemption*) that is not a scheduled Payment Date, the fifth Business Day prior to such Redemption Date.

"**Discount Obligation**" means any Collateral Debt Obligation (other than a Zero Coupon Obligation) that is not a Swapped Non-Discount Obligation and that the Collateral Manager determines at the time of purchase is either:

(a) in the case of any Floating Rate Collateral Debt Obligation, acquired by the Issuer for a purchase price that is lower than the lesser of (1)(x) in the case of an Unhedged Collateral Debt Obligation, 80 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Debt Obligations, 80 per cent. of the Principal Balance of such Collateral Debt Obligation (or, if such interest has a Moody's rating below "B3", such interest is acquired by the Issuer for a purchase price of less than 85 per cent. of its Unhedged Principal Balance or Principal Balance, as the case may be) or (2) the price of the Eligible Loan Index as of the relevant date of determination; *provided that* such Collateral Debt Obligation shall cease to be a Discount Obligation at such time as the Market Value (not being a Market Value determined by the Collateral Manager) of such Collateral Debt Obligation, as determined for any period of 20 consecutive Business Days since the acquisition by the Issuer of such Collateral Debt Obligation equals or exceeds (x) in the case of an Unhedged Collateral Debt Obligation, 90 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Debt Obligations, 90 per cent. of the Principal Balance of such Collateral Debt Obligation; or

(b) in the case of any Fixed Rate Collateral Debt Obligation, acquired by the Issuer for a purchase price that is lower than the lesser of (1)(x) in the case of an Unhedged Collateral Debt Obligation, 75 per cent. of its Unhedged Principal Balance and (y) in the case of all other such Collateral Debt Obligations, 75 per cent. of the Principal Balance of such Collateral Debt Obligation (or, if such interest has a Moody's rating below "B3", such interest is acquired by the Issuer for a purchase price of less than 80 per cent. of its Unhedged Principal Balance, or Principal Balance, as the case may be) or (2) the price corresponding to a yield that is 2 per cent. higher than the yield of the Eligible Bond Index; *provided that* such Collateral Debt Obligation shall cease to be a Discount Obligation at such time as the Market Value (not being a Market Value determined by the Collateral Manager) of such Collateral Debt Obligation, as determined for any period of 20 consecutive Business Days since the acquisition by the Issuer of such Collateral Debt Obligation, equals or exceeds (1)(x) in the case of an Unhedged Collateral Debt Obligation, 85 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Debt Obligations, 85 per cent. of the Principal Balance of such Collateral Debt Obligation or (2) the price corresponding to a yield on such Collateral Debt Obligation is less than or equal to the yield of the Eligible Bond Index;

provided that:

(i) if such interest is a Revolving Obligation, and there exists an outstanding non-revolving loan to its obligor ranking *pari passu* with such Revolving Obligation and secured by substantially the same collateral as such Revolving Obligation (a "**Related Term Loan**"), in determining whether such Revolving Obligation is and continues to be a Discount Obligation, the price of the Related Term Loan, and not of the Revolving Obligation, shall be referenced;

(ii) if such Collateral Debt Obligation is a Revolving Obligation, the purchase price of such Revolving Obligation for such purpose shall be deemed to include any amounts required to be transferred to the Unfunded Revolver Reserve Account upon acquisition of such Revolving Obligation by the Issuer; and

(iii) if the Principal Balance of a Collateral Debt Obligation is partially composed of a Discount Obligation, any sale, repayment or prepayment in respect of such Collateral Debt Obligation will be applied *pro rata* to (1) the discounted portion of such Collateral Debt Obligation and (2) the non-discounted portion of such Collateral Debt Obligation.

"**Distribution**" means any payment of principal or interest or any dividend or premium or other amount (including any proceeds of sale) or asset paid or delivered on or in respect of any Collateral Debt Obligation, any Collateral Enhancement Debt Obligation, any Eligible Investment or any Exchanged Security, as applicable.

"**Dodd-Frank Act**" means the Dodd-Frank Wall Street Reform and Consumer Protection Act including any related regulation as may be amended, supplemented or replaced from time to time.

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

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

(b) the jurisdiction and the country in which, in the Collateral Manager's reasonable judgment, a substantial portion of such Obligor's operations are located or from which the main 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 largest share of revenues or earnings, if any, of such Obligor).

"**DTC**" means The Depository Trust Company, its nominee or any successor thereto or replacement thereof.

"**Due Period**" means, with respect to any Payment Date (including any Payment Date which is the Redemption Date of any Note redeemed in accordance with Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Collateral Manager*)), the period commencing on and including the calendar day immediately following the sixth Business Day of the month in which the preceding Payment Date occurs (or on the Issue Date, in the case of the Due Period relating to the first Payment Date) and ending on and including the sixth Business Day of the month in which such Payment Date occurs (or, in the case of the Due Period applicable to the Payment Date which is the Redemption Date of any Note other than a Redemption Date relating to a redemption in accordance with Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Collateral Manager*), ending on and including the Business Day preceding such Payment Date).

"**EBA**" means the European Banking Authority (including any successor or replacement agency or authority).

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

(a) the date designated for such purpose by the Collateral Manager by written notice to the Trustee, the Issuer, the Rating Agencies and the Collateral Administrator pursuant to the Collateral Management Agreement, subject to the Effective Date Determination Requirements having been satisfied; and

(b) 25 July 2017 (or, if such day is not a Business Day, the next following Business Day).

"**Effective Date Determination Requirements**" means, as at the Effective Date, each of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests (save for the Interest Coverage Tests) being satisfied on such date, and the Issuer having acquired or having entered into binding commitments to acquire Collateral Debt Obligations the Aggregate Principal Balance of which equals or exceeds the Target Par Amount by such date (*provided that*, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Debt Obligations subsequent to the date of acquisition thereof shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its (i) Moody's Collateral Value and (ii) Fitch Collateral Value).

"**Effective Date Moody's Condition**" means a condition satisfied if (a) the Issuer is provided with an accountants' certificate recalculating and comparing each element of the Effective Date Report and confirming that the Effective Date Determination Requirements are satisfied and (b) Moody's is provided with the Effective Date Report.

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

(a) the Effective Date Determination Requirements not having been satisfied as at the Effective Date (unless Rating Agency Confirmation is received in respect of such failure to satisfy the Effective Date Determination Requirements); and

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

(c) the Effective Date Moody's Condition not being satisfied and, following a request therefor from the Collateral Manager after the Effective Date, Rating Agency Confirmation from Moody's not having been received,

provided that any downgrade or withdrawal of any of the Initial Ratings of the Rated Notes which is not directly related to a request for confirmation thereof or which occurs after confirmation thereof by the Rating Agencies shall not constitute an Effective Date Rating Event.

"**Effective Date Report**" has the meaning given to it in the Collateral Management Agreement.

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

"**Eligible Bond Index**" means the Bank of America Merrill Lynch Euro High Yield Index or any other internationally recognised or comparable bond index as is notified to the Trustee, the Collateral Administrator and each Rating Agency by the Collateral Manager acting on behalf of the Issuer.

"**Eligible Investments**" means any investment denominated in Euro that is one or more of the following obligations or securities (other than obligations or securities which are zero coupon obligations or securities), including, without limitation, any Eligible Investments for which the Custodian, the Trustee or the Collateral Manager or an Affiliate of any of them provides services:

(a) direct obligations of, and obligations the timely payment of principal of and interest under which is fully and expressly guaranteed by, a Qualifying Country or any agency or instrumentality of a Qualifying Country, the obligations of which are fully and expressly guaranteed by a Qualifying Country which in each case has a rating of not less than the applicable Eligible Investment Minimum Rating;

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

(c) subject to receipt of Rating Agency Confirmation related thereto, unleveraged repurchase obligations with respect to:

  (i) any obligation described in paragraph (a) above; or

  (ii) any other security issued or guaranteed by an agency or instrumentality of a Qualifying Country, in either case entered into with a depository institution or trust company (acting as principal) described in paragraph (b) above or entered into with a corporation (acting as principal) whose debt obligations are rated not less than the applicable Eligible Investments Minimum Rating at the time of such investment;

(d) securities bearing interest or sold at a discount to the face amount thereof issued by any corporation incorporated under the laws of a Qualifying Country that have a credit rating of not less than the Eligible Investments Minimum Rating at the time of such investment or contractual commitment providing for such investment;

(e) commercial paper or other short-term obligations having, at the time of such investment, a credit rating of not less than the applicable Eligible Investments Minimum Rating and that either are bearing interest or are sold at a discount to the face amount thereof and have a

maturity of not more than 92 days or, following the occurrence of a Frequency Switch Event, 183 days from their date of issuance;

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

(g) any other investment or instrument similar to those described in paragraphs (a) to (f) (inclusive) above:

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

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

and, in each case, such instrument or investment provides for payment of a predetermined fixed amount of principal on maturity that is not subject to change, either (A) has a Collateral Debt Obligation Stated Maturity (giving effect to any applicable grace period) which is the Business Day immediately preceding the next following Payment Date or (B) is capable of being liquidated at par on demand without penalty, *provided*, *however*, *that* Eligible Investments shall not include any mortgage backed security, interest only security, security subject to withholding or similar taxes other than taxes imposed under FATCA), or security purchased at a price in excess of 100 per cent. of par, security whose repayment is subject to substantial non-credit related risk (as determined by the Collateral Manager in its discretion); *provided further that* only assets which are "qualifying assets" within the meaning of Section 110 of the Taxes Consolidation Act 1997 (the "**TCA**") as amended of Ireland and which do not give rise to Irish stamp duty (except to the extent that such stamp duty is taken into account in deciding whether to acquire the assets) may constitute Eligible Investments. Notwithstanding anything to the contrary contained herein, Eligible Investments will also include cash.

"**Eligible Investments Minimum Rating**" means:

(a) for so long as any Notes rated by Moody's are Outstanding:

(i) where such commercial paper or debt obligations do not have a short-term senior unsecured debt or issuer (as applicable) credit rating from Moody's, a long-term senior unsecured debt or issuer (as applicable) credit rating of "Aaa" from Moody's; or

(ii) where such commercial paper or debt obligations have a short-term senior unsecured debt or issuer (as applicable) credit rating, such short-term rating is "P-1" from Moody's and the long-term senior unsecured debt or issuer (as applicable) credit rating is at least "A1" from Moody's;

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

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

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

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

(C) such other ratings as confirmed by Fitch; and

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

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

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

(C) such other ratings as confirmed by Fitch.

"**Eligible Loan Index**" means the Credit Suisse Western European Leveraged Loan Index or any other internationally recognised or comparable loan index as is notified to the Trustee, the Collateral Administrator and each Rating Agency by the Collateral Manager acting on behalf of the Issuer.

"**EMIR**" means the European Market Infrastructure Regulation (Regulation (EU) No. 648/2012, including any implementing and/or delegated regulation (including the European Union (European Market Infrastructure) Regulations 2014), technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.

"**Equity Security**" means any security (other than in the nature of debt) that by its terms does not provide for periodic payments of interest at a stated coupon rate and repayment of principal at a stated maturity and any other security that is not eligible for purchase by the Issuer as a Collateral Debt Obligation; *provided that* Equity Securities may not be purchased by the Issuer but may be received by the Issuer in exchange for a Collateral Debt Obligation or a portion thereof in connection with an insolvency, bankruptcy, reorganisation, debt restructuring or workout of the Obligor thereof.

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

"**ESMA**" means the European Securities and Markets Authority or any replacement thereof or successor thereto.

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

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

"**Euro**", "**Euros**", "**euro**" and "**€**" means the lawful currency of the Member States of the European Union that have adopted and retain the single currency in accordance with the Treaty on the Functioning of the European Union, as amended from time to time; *provided that* if any member state or states ceases to have such single currency as its lawful currency (such member state(s) being the "**Exiting State(s)**"), the euro shall, for the avoidance of doubt, mean for all purposes the single currency adopted and retained as the lawful currency of the remaining member states and shall not include any successor currency introduced by the Exiting State(s).

"**Euroclear**" means Euroclear Bank SA/NV.

"**Euro zone**" means the region comprised of Member States of the European Union that have adopted the single currency in accordance with the Treaty on the Functioning of the European Union, as amended.

"**Excess CCC/Caa Adjustment Amount**" means, as of any date of determination, an amount equal to the greater of zero and:

(a) the Aggregate Principal Balance of all Collateral Debt Obligations included in the CCC/Caa Excess; *minus*

(b) aggregate of, with respect to the Collateral Debt Obligations included in the CCC/Caa Excess, the product of (1) the Principal Balance of each such Collateral Debt Obligation and (2) the Market Value of each such Collateral Debt Obligation.

"**Excess Par Amount**" means an amount, as of any Determination Date, equal to (i) the Aggregate Collateral Balance on such Determination Date less (ii) the Reinvestment Target Par Amount; *provided*, that such amount may not be less than zero.

"**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended.

"**Exchanged Security**" means any of: (a) an Equity Security which is not a Collateral Enhancement Debt Obligation and which is delivered to the Issuer upon acceptance of an Offer in respect of a Defaulted Obligation or received by the Issuer as a result of restructuring of the terms in effect as of the later of the Issue Date or date of issuance of the relevant Collateral Debt Obligation and (b) a Collateral Debt Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) which does not satisfy the Restructured Obligation Criteria on the Restructuring Date.

"**Expense Reserve Account**" means an account in the name of the Issuer so entitled and held by the Account Bank.

"Extraordinary Resolution" means an extraordinary resolution as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**FATCA**" means:

(a) Sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 (the "**Code**") or any associated regulations or other official guidance;

(b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; or

(c) any agreement pursuant to the implementation of paragraphs (a) or (b) above with the IRS, the U.S. government or any governmental or taxation authority in any other jurisdiction.

"**Fee Basis Amount**" means an amount equal to (a) for the first Payment Date, the Aggregate Collateral Balance as of the Issue Date and (b) for any other Payment Date, the Aggregate Collateral Balance as of the last day of the preceding Due Period.

"**Final Distribution Date**" means the date on which the Notes will be redeemed in full or upon which the proceeds from the realisation of the security will be distributed in full.

"**Final Technical Standards**" means Delegated Regulation (EU) No. 625/2014 of 13 March 2014 supplementing the CRR.

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

"**Fitch CCC Obligations**" means all Collateral Debt Obligations (excluding Defaulted Obligations and Deferring Securities) with a Fitch Rating of "CCC+" or lower.

"**Fitch Collateral Value**" means:

(a) for each Defaulted Obligation and Deferring Security, the lower of:

(i) its prevailing Market Value; and

(ii) the relevant Fitch Recovery Rate,

multiplied by its Principal Balance, provided that if the Market Value cannot be determined for any reason, the Fitch Collateral Value shall be determined in accordance with paragraph (ii) above; or

(b) in the case of any other applicable Collateral Debt Obligation, the relevant Fitch Recovery Rate multiplied by its Principal Balance.

"**Fitch Maximum Weighted Average Rating Factor Test**" has the meaning given to it in the Collateral Management Agreement.

"**Fitch Minimum Weighted Average Recovery Rate Test**" has the meaning given to it in the Collateral Management Agreement.

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

"**Fitch Recovery Rate**" means in respect of any Collateral Debt Obligation, the Fitch recovery rate determined in accordance with the Collateral Management Agreement.

"**Fitch Tests Matrix**" has the meaning given to it in the Collateral Management Agreement.

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

"**Fixed Rate Notes**" means the Class A-2 Notes and the Class B-2 Notes.

"**Floating Rate Collateral Debt Obligation**" means any Collateral Debt Obligation that bears a floating rate of interest.

"**Floating Rate Notes**" means the Class A-1 Notes, the Class B-1 Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

"**Floating Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

"**Form Approved Asset Swap**" means an Asset Swap Transaction and the related Asset Swap Agreement, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the name and financial aspects of the related Collateral Debt Obligation, the notional amount, the effective date, the termination date and other related and/or immaterial changes) to a form approved by the Rating Agencies from time to time, *provided that* such approval shall be deemed to have been so received in respect of any such form approved by the Rating Agencies prior to the Issue Date unless otherwise notified to the Collateral Manager (acting on behalf of the Issuer) by a Rating Agency prior to entering into a new Asset Swap Transaction.

"**Form Approved Interest Rate Hedge**" means an Interest Rate Hedge Transaction and the related Interest Rate Hedge Agreement, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the applicable floating rate index, the notional amount, the effective date, the termination date and other related and/or immaterial changes) to a form approved by the Rating Agencies from time to time, *provided that* such approval shall be deemed to have been so received in respect of any such form approved by the Rating Agencies prior to the Issue Date unless otherwise notified to the Collateral Manager (acting on behalf of the Issuer) by a Rating Agency prior to entering into a new Interest Rate Hedge Transaction.

"**Frequency Switch Event**" shall occur if, on any Frequency Switch Measurement Date:

(a) (i) the Aggregate Principal Balance of Collateral Debt Obligations that have become Semi-Annual Obligations in the previous Due Period as a result of the change in

frequency of interest payments on such Collateral Debt Obligations (or where such Due Period is the first Due Period, in the last three months of such Due Period), is greater than or equal to 20 per cent. of the Aggregate Collateral Balance; and

(ii) For so long as the Class A Notes or the Class B Notes remain Outstanding, the Class A/B Interest Coverage Ratio is less than 101 per cent. (and *provided that* for such purpose, paragraph (b) of the definition of Interest Coverage Amount shall be deemed to be equal to zero); or

(b) the Collateral Manager declaring in its sole discretion that a Frequency Switch Event shall have occurred.

"**Frequency Switch Measurement Date**" means each Determination Date from (and including) the Determination Date immediately preceding the second Payment Date, *provided that* following the occurrence of a Frequency Switch Event, no further Frequency Switch Measurement Date shall occur.

"**Funded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation at any time, the aggregate principal amount of advances or other extensions of credit to the extent funded thereunder by the Issuer that are outstanding at such time.

"**Hedge Agreement**" means any Interest Rate Hedge Agreement or Asset Swap Agreement, as applicable.

"**Hedge Agreement Eligibility Criteria**" has the meaning given thereto in the Collateral Management Agreement.

"**Hedge Counterparty**" means any Interest Rate Hedge Counterparty or Asset Swap Counterparty, as applicable.

"**Hedge Replacement Payment**" means any Interest Rate Hedge Replacement Payment or Asset Swap Replacement Payment, as applicable.

"**Hedge Replacement Receipt**" means any Interest Rate Hedge Replacement Receipt or Asset Swap Replacement Receipt, as applicable.

"**Hedge Termination Account**" means the account (or accounts) of the Issuer held with the Account Bank into which Hedge Termination Receipts and Hedge Replacement Receipts shall be paid, which account (or accounts) shall be maintained in each relevant currency in relation to the Asset Swap Transactions.

"**Hedge Termination Payment**" means any Interest Rate Hedge Termination Payment or Asset Swap Termination Payment, as applicable.

"**Hedge Termination Receipt**" means any Interest Rate Hedge Termination Receipt or Asset Swap Termination Receipt, as applicable.

"**Hedge Transaction**" means any Interest Rate Hedge Transaction or Asset Swap Transaction, as applicable.

"**High Yield Bond**" means a debt security other than a Senior Secured Bond which, on acquisition by the Issuer, is either rated below investment grade by at least one internationally recognised credit rating agency (*provided that*, if such debt security is, at any time following acquisition by the Issuer, no longer rated by at least one internationally recognised credit rating agency as below investment grade it will not, as a result of such change in rating, fall outside this definition) or which is a high yielding debt security, in each case as determined by the Collateral Manager, excluding any debt security which is secured directly on, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign

debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar security.

"**Incentive Collateral Management Fee**" means the fee payable to the Collateral Manager (exclusive of VAT) pursuant to the Collateral Management Agreement in an amount, as determined by the Collateral Administrator, equal to the amount specified at paragraph (BB) of the Interest Proceeds Priority of Payments, paragraph (S) of the Principal Proceeds Priority of Payments, paragraph (Z) of the Post-Acceleration Priority of Payments, Condition 3(k)(vi)(I) (*Collateral Enhancement Account*) and Condition 3(k)(viii)(I) (*Contributions Account*); *provided that* such amount will only be payable to the Collateral Manager if the Incentive Collateral Management Fee IRR Threshold has been reached.

"**Incentive Collateral Management Fee IRR Threshold**" means, as determined on the relevant Determination Date (for the avoidance of doubt such determination will take account of amounts in respect of the current Payment Date), the threshold which will have been reached on the relevant Payment Date if the Subordinated Notes Outstanding have received an IRR of at least 12 per cent. on the Principal Amount Outstanding of the Subordinated Notes and calculated by reference to the issue price of Subordinated Notes on the Issue Date (after giving effect to all payments in respect of the Subordinated Notes to be made on such Payment Date). The annualised rate of return will be calculated based on distributions made on the Subordinated Notes and without taking into account any additional Subordinated Notes issued after the Issue Date pursuant to Condition 17 (*Additional Issuances*).

"**Incurrence Covenant**" means a covenant by any Obligor, or another member of the borrowing group of which the Obligor is a part, to comply with one or more financial covenants only upon the occurrence of certain actions, or events relating to, of the Obligor, or such other member of the borrowing group, including but not limited to a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture.

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

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

"**Interest Account**" means an account described as such in the name of the Issuer held with the Custodian into which Interest Proceeds are to be paid.

"**Interest Amount**" means in respect of a Class of Notes:

(a) in the case of the Floating Rate Notes, the amount calculated by the Calculation Agent in accordance with Condition 6(e)(ii) (*Determination of Floating Rate of Interest and Calculation of Interest Amount*);

(b) in the case of the Fixed Rate Notes, the amount calculated by the Calculation Agent in accordance with Condition 6(e)(iv) (*Interest Proceeds in respect of Fixed Rate Notes*); and

(c) in the case of the Subordinated Notes, the amount calculated by the Collateral Administrator in accordance with Condition 6(e)(v) (*Interest Proceeds in respect of Subordinated Notes*).

"**Interest Coverage Amount**" means, on any particular Measurement Date:

(a) the Balance standing to the credit of the Interest Account;

plus

(b) the sum of all scheduled interest payments (including (X) any commitment fees due but not yet received in respect of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations, all amendment and wavier fees, all late payment fees, all syndication fees, delayed compensation and all other fees and commissions, (Y) any amounts which the applicable Obligor or Selling Institution (as applicable) has agreed or is required to pay by way of a gross-up in respect of amounts withheld at source or otherwise deducted in respect of taxes or by way of indemnity in respect of directly assessed taxes and (Z) any amounts which the Collateral Manager reasonably determines will be received within the same Due Period by way of recovery from an applicable tax authority under a double tax treaty or otherwise) due but not yet received (in each case regardless of whether the applicable due date has yet occurred) in the Due Period in which such Measurement Date occurs on the Collateral Debt Obligations, the Eligible Investments and the Accounts (other than each Counterparty Downgrade Collateral Account, but including interest on third party collateral accounts of the kind referred to in Condition 3(k)(ii)(J) (*Interest Account*), but excluding:

(i) accrued and unpaid interest on Defaulted Obligations (excluding Current Pay Obligations, irrespective of the limitation in the Portfolio Profile Tests) unless such amounts constitute Defaulted Obligation Excess Amounts or Defaulted Mezzanine Excess Amounts;

(ii) interest on any Collateral Debt Obligation to the extent that such Collateral Debt Obligation does not provide for the scheduled payment of interest in cash;

(iii) any amounts, to the extent that such amounts if not paid, will not give rise to a default under the relevant Collateral Debt Obligation;

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

(v) interest on any Collateral Debt Obligation which has not paid cash interest on a current basis in respect of the lesser of (A) twelve months and (B) the two most recent interest periods;

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

(vii) any Purchased Accrued Interest;

(viii) with respect to Mezzanine Obligations and PIK Obligations, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Obligation,

provided that, in respect of a Non-Euro Obligation (1) that is an Asset Swap Obligation, this paragraph (b) shall be deemed to refer to the related Scheduled Periodic Asset Swap Counterparty Payment, subject to the exclusions set out above and (2) that is an Unhedged Collateral Debt Obligation, the amount taken into account for this paragraph (ii) shall be an amount equal to (X) if such Unhedged Collateral Debt Obligation has been an Unhedged Collateral Debt Obligation for less than six months since the date of settlement thereof, and as long as the Rated Notes are rated by Moody's and/or Fitch, 50.00 per cent. of the scheduled

interest payments referred to above due but not yet received in respect of such Unhedged Collateral Debt Obligation (subject to the exclusions set out above), converted into Euro at the then prevailing Applicable Exchange Rate, and (Y) otherwise zero; and

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

(d) *minus* any of the above amounts that would be payable into the Interest Smoothing Account on the Business Day after the Determination Date at the end of the Due Period in which such Measurement Date falls;

(e) *plus* any amounts that would be payable from the Interest Reserve Account to the Interest Account in the Due Period in which such Measurement Date falls (without double counting any such amounts which have been already transferred to the Interest Account);

(f) *plus* any amounts that would be transferred from the Expense Reserve Account (only in respect of amounts that are not designated for transfer to the Principal Account) and/or the Interest Smoothing Account to the Interest Account in the Due Period in which such Measurement Date falls (without double counting any such amounts which have been already transferred to the Interest Account);

(g) *plus* any Scheduled Periodic Interest Rate Hedge Counterparty Payments payable to the Issuer under any Hedge Transaction but to the extent not already included in accordance with (a) above; and

(h) *minus* any interest in respect of a PIK Obligation that has been deferred (but only to the extent such amount has not already been excluded in accordance with (b)(ii), (iii), (v), (viii), above).

For the purposes of calculating any Interest Coverage Amount, the expected or scheduled interest income on Floating Rate Collateral Debt Obligations and Eligible Investments and the expected or scheduled interest payable on any Class of Notes and on any relevant Account shall be calculated using then current interest rates applicable thereto.

"**Interest Coverage Ratio**" means the Class A/B Interest Coverage Ratio, the Class C Interest Coverage Ratio, the Class D Interest Coverage Ratio and the Class E Interest Coverage Ratio (as applicable). For the purposes of calculating an Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the relevant Rated Notes will be calculated using the then current interest rates applicable thereto.

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

"**Interest Determination Date**" means the second Business Day prior to the commencement of each Accrual Period given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

"**Interest Diversion Test**" means the test which will apply as of any Measurement Date on and after the Effective Date which will be satisfied on such Measurement Date if the Class F Par Value Ratio is at least equal to 104.5 per cent.

"**Interest Proceeds**" means all amounts paid or payable into the Interest Account from time to time and, with respect to any Payment Date, means any Interest Proceeds received or receivable by the Issuer during the related Due Period to be disbursed pursuant to the Interest Proceeds Priority of Payments on such Payment Date, together with any other amounts to be disbursed out of the Payment Account as Interest Proceeds on such Payment Date pursuant to Condition 3(j) (*Accounts*) or Condition 11 (*Enforcement*).

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

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

"**Interest Rate Hedge Agreement**" means a 1992 ISDA Master Agreement (Multicurrency-Cross-Border) or a 2002 ISDA Master Agreement (or such other ISDA *pro forma* Master Agreement as may be published by ISDA from time to time), together with the schedule and confirmations relating thereto including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof, each as amended or supplemented from time to time, and entered into by the Issuer with an Interest Rate Hedge Counterparty which shall govern one or more Interest Rate Hedge Transactions entered into by the Issuer and such Interest Rate Hedge Counterparty (including any Replacement Interest Rate Hedge Transaction).

"**Interest Rate Hedge Counterparty**" means each financial institution with which the Issuer enters into an Interest Rate Hedge Transaction or any permitted assignee or successor thereto under the terms of the related Interest Rate Hedge Transaction and in each case which satisfies, at the time of entry into the relevant Interest Rate Hedge Transaction, the applicable Rating Requirement (or whose obligations are guaranteed by a guarantor which satisfies the applicable Rating Requirement).

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

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

"**Interest Rate Hedge Termination Payment**" means the amount payable to an Interest Rate Hedge Counterparty by the Issuer upon termination or modification of an Interest Rate Hedge Transaction pursuant to the relevant Interest Rate Hedge Agreement excluding, for purposes other than payment by the Issuer, any due and unpaid scheduled amounts payable thereunder.

"**Interest Rate Hedge Termination Receipt**" means the amount payable by an Interest Rate Hedge Counterparty to the Issuer upon termination of an Interest Rate Hedge Transaction pursuant to the relevant Interest Rate Hedge Agreement, excluding, for purposes other than payment to the applicable Account to which the Issuer shall credit such amounts, the portion thereof representing any due and unpaid scheduled amounts payable thereunder.

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

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

"**Interest Smoothing Amount**" means, in respect of each Determination Date on or following the occurrence of a Frequency Switch Event, zero and, in respect of each other Determination Date and for so long as any Rated Notes are Outstanding, an amount equal to the product of:

(a) 0.5; multiplied by

(b) an amount equal to:

(i) the sum of all payments of interest received during the related Due Period in respect of each Semi-Annual Obligation; minus

(ii) the sum of all payments of interest scheduled to be received during the immediately following Due Period in respect of each Semi-Annual Obligation,

provided that:

(a) such amount may not be less than zero; and

(b) following redemption in full of the Rated Notes or if the Aggregate Principal Balance of the Semi-Annual Obligations is less than or equal to 5 per cent. of the Aggregate Collateral Balance, such amount shall be deemed to be zero.

"**Intermediary Obligation**" means an interest in relation to a loan which is structured to be acquired indirectly by lenders therein at or prior to primary syndication thereof, including pursuant to a collateralised deposit or guarantee, a sub-participation or other arrangement which has the same commercial effect and in each case, in respect of any obligation of the lender to a "fronting bank" in respect of non-payment by the Obligor, is 100 per cent. collateralised by such lenders.

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

"**Irish Stock Exchange**" means the Irish Stock Exchange plc.

"**IRR**" means, for the purposes of the Incentive Collateral Management Fee, with respect to each Payment Date and the Subordinated Notes issued on the Issue Date, the rate of return that would result in a net present value of zero, assuming (i) an aggregate purchase price equal to the initial aggregate Principal Amount Outstanding of the Subordinated Notes issued on the Issue Date net of any issue discounts as the initial negative cash flow on the Issue Date and all payments on such Subordinated Notes on or prior to such Payment Date as positive cash flows, (ii) the initial date for calculation as of the Issue Date, and (iii) the number of days to each Payment Date from the Issue Date is calculated on the basis of the actual number of days in each such period and a 365-day year.

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

"**ISDA**" means the International Swaps and Derivatives Association, Inc.

"**Issue Date**" means on or about 25 January 2017 (or such other date as may shortly follow such date as may be agreed between the Issuer and the Placement Agent and is notified in writing to the Trustee, the Collateral Administrator and the Noteholders in accordance with Condition 16 (*Notices*) and the Irish Stock Exchange).

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

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

"**Issuer Profit Amount**" means the payment on each Payment Date of €250 (or following the occurrence of a Frequency Switch Event, €500), subject always to an aggregate maximum amount of €1,000 per annum, to the Issuer as a fee for entering into the transaction.

"**Main Securities Market**" means the regulated market of the Irish Stock Exchange. The Main Securities Market constitutes a regulated market for the purposes of Directive 2004/39/EC.

"**Maintenance Covenant**" means, as of any date of determination, a covenant by any Obligor, or another member of the borrowing group of which the Obligor is a part, to comply with one or more financial covenants during each reporting period applicable to the related loan, whether or not any such Obligor or such other member of the borrowing group has taken any specified action, or event relating to, such Obligor occurs after such date of determination, *provided that* a covenant that otherwise satisfies the definition hereof and only applies when amounts are outstanding under the related loan shall be a Maintenance Covenant.

"**Mandatory Redemption**" means a redemption of the Notes pursuant to and in accordance with Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

"**Margin Stock**" has the meaning given to it by Regulation U issued by the Federal Reserve Board, including any debt security which is by its terms convertible into margin stock.

"**Market Value**" means, on any date of determination and as provided by the Collateral Manager to the Collateral Administrator (in each case, expressed as a percentage of par):

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

(b) provided if the bid price determined in (a) above is, in the reasonable business judgement of the Collateral Manager inaccurate or if such independent recognised pricing service is not available, the mean of the bid prices (excluding accrued interest) determined by three independent broker-dealers active in the trading of such Collateral Debt Obligations; or

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

(d) if two such broker-dealer prices are not available, the bid side price (excluding accrued interest) determined by one independent broker-dealer (unless, in each case, the fair market value thereof determined by the Collateral Manager pursuant to (e) hereafter would be lower) of such Collateral Debt Obligation; or

(e) if the determinations of such broker-dealers or independent recognised pricing service are not available, then in respect of Collateral Debt Obligations the fair market value thereof determined by the Collateral Manager on a best commercially reasonable efforts basis in a manner consistent with reasonable and customary market practice, in each case, as notified to the Collateral Administrator on the date of determination thereof,

provided however that:

(i) the purposes of this definition, "**independent**" shall mean: (A) that each pricing service and broker-dealer from whom a bid price is sought is independent from each of the other pricing service and broker-dealers from whom a bid price is sought and (B) each pricing service and broker dealer is not an Affiliate of the Collateral Manager and is not a portfolio company in which one or more funds managed or advised by the Collateral Manager or an Affiliate thereof holds an interest.

(ii) where the Collateral Debt Obligation is a Non-Euro Obligation, to the extent there is an Asset Swap Agreement in place, the market value of the applicable Non-Euro Obligation shall be determined as provided above, multiplied by the rate of exchange given under the applicable Asset Swap Agreement;

(iii) where the Collateral Debt Obligation is a Non-Euro Obligation which is not subject to an Asset Swap Transaction, the market value of the applicable Non-Euro Obligation shall be determined as provided above, converted into Euro at the Spot Rate;

(iv) where the Market Value is determined by the Collateral Manager in accordance with the above provisions, such Market Value shall only be valid for 30 days, after which time if the Market Value cannot be ascertained by a broker-dealer or an independent recognised pricing service the Market Value shall be deemed to be zero, *provided that*, in respect of any Moody's Caa Obligations, Defaulted Obligations or Current Pay Obligations, this proviso (iv) shall not apply where (x) the Collateral Manager is subject to Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 (or other comparable regulation); (y) such fair market value determined by the Collateral Manager is in a manner consistent with any determination it applies with respect to any other obligation managed by the Collateral Manager and (z) such fair market value shall be of the same value assigned by the Collateral Manager to such Collateral Debt Obligation for all other purposes, in each case, as notified to the Collateral Administrator on the date of determination thereof; and

(v) in the event the Collateral Manager is not able to determine the Market Value in accordance with the above provisions, the Market Value on the relevant date of determination shall be deemed to be zero.

"**Maturity Amendment**" means with respect to any Collateral Debt Obligation, any waiver, modification, amendment or variance that would extend the Collateral Debt Obligation Stated Maturity of such Collateral Debt Obligation (whether by way of amendment and restatement of the existing facility or novation or substitution on substantially the same terms save for the maturity amendment). For the avoidance of doubt, a waiver, modification, amendment or variance that would extend the Collateral Debt Obligation Stated Maturity of the credit facility of which a Collateral Debt Obligation is part, but would not extend the Collateral Debt Obligation Stated Maturity of the Collateral Debt Obligation held by the Issuer, does not constitute a Maturity Amendment.

"**Maturity Date**" means the date falling on the Payment Date in February 2030.

"**Measurement Date**" means:

(a) the Effective Date;

(b) for the purposes of determining satisfaction of the Reinvestment Criteria, any Business Day after the Effective Date on which such criteria are required to be determined;

(c) the date of acquisition of any additional Collateral Debt Obligation following the Effective Date;

(d) each Determination Date;

(e) the date as at which any Report is prepared; and

(f) following the Effective Date, with reasonable (and not less than five Business Days') written notice to the Issuer and the Trustee, any Business Day requested by any Rating Agency then rating any Class of Notes Outstanding.

"**Mezzanine Obligation**" means a mezzanine loan obligation or other comparable debt obligation, including any such loan obligation with attached warrants and any such obligation which is evidenced by an issue of notes (other than High Yield Bonds), as determined by the Collateral Manager in its reasonable judgment, or a Participation therein.

"**Minimum Denomination**" means:

(a) in the case of the Regulation S Notes of each Class (including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class), €100,000; and

(b) in the case of the Rule 144A Notes of each Class (including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class), €250,000.

"**Minimum Risk Retention Requirement**" means, unless an exemption exists, the requirement for the "sponsor" of a securitisation transaction (or majority-owned affiliate of the sponsor) to retain at least a 5 per cent. economic interest in the credit risk of the assets collateralising a securitisation transaction in the form of an "eligible vertical interest" or "eligible horizontal residual interest" or any combination thereof in accordance with the U.S. Risk Retention Rules.

"**Minimum Weighted Average Coupon Test**" has the meaning given to it in the Collateral Management Agreement.

"**Minimum Weighted Average Spread Test**" has the meaning given to it in the Collateral Management Agreement.

"**Monthly Report**" means any monthly report defined as such in the Collateral Management Agreement which is prepared by the Collateral Administrator (in consultation with the Collateral Manager) on behalf of the Issuer on such dates as are set out in the Collateral Management Agreement and made available via a secured website currently located at https://gctinvestorreporting.bnymellon.com which shall be accessible to the Issuer, the Trustee, the Collateral Manager, the Placement Agent, the Hedge Counterparties and the Rating Agencies, and to any holder of a beneficial interest in any Note by way of a unique password which, in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes and which shall include information regarding the status of certain of the Collateral pursuant to the Collateral Management Agreement.

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

"**Moody's Caa Obligations**" means all Collateral Debt Obligations (excluding Defaulted Obligations and Deferring Securities) with a Moody's Rating of "Caa1" or lower.

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

(a) for each Defaulted Obligation and Deferring Security, the lower of:

(i) its prevailing Market Value; and

(ii) the relevant Moody's Recovery Rate,

multiplied by its Principal Balance, provided that if the Market Value cannot be determined for any reason, the Moody's Collateral Value shall be determined in accordance with paragraph (B) above; or

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

"**Moody's Maximum Weighted Average Rating Factor Test**" has the meaning given to it in the Collateral Management Agreement.

"**Moody's Minimum Diversity Test**" has the meaning given to it in the Collateral Management Agreement.

"**Moody's Minimum Weighted Average Recovery Rate Test**" has the meaning given to it in the Collateral Management Agreement.

"**Non-Call Period**" means the period from and including the Issue Date up to, but excluding, the Payment Date falling on or around 21 February 2019.

"**Non-Eligible Issue Date Collateral Debt Obligation**" has the meaning given thereto in the Collateral Management Agreement.

"**Non-Emerging Market Country**" means any of Austria, Belgium, Canada, the Channel Islands, Denmark, Finland, France, Germany, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom or United States and any other country, which has a Moody's local currency country risk ceiling of, at the time of acquisition of the relevant Collateral Debt Obligation, at least "Baa3" by Moody's and the foreign currency country issuer rating of which is rated, at the time of acquisition of the relevant Collateral Debt Obligation, at least "BBB-" by Fitch (*provided that* Rating Agency Confirmation is received in respect of any such other country which is not in the Euro zone) or any other country in respect of which, at the time of acquisition of the relevant Collateral Debt Obligation, Rating Agency Confirmation is received.

"**Non-Euro Hedge Account**" means each currency account into which amounts due to the Issuer in respect of each Asset Swap Obligation and out of which amounts from the Issuer to each applicable Asset Swap Counterparty under each applicable Asset Swap Transaction are to be paid.

"**Non-Euro Obligation**" means any Collateral Debt Obligation, or part thereof, as applicable, denominated in a currency other than Euro.

"**Noteholders**" means the several persons in whose name the Notes are registered from time to time in accordance with and subject to their terms and the terms of the Trust Deed, and "**holder**" (in respect of the Notes) shall be construed accordingly.

"**Note Event of Default**" means each of the events defined as such in Condition 10(a) (*Note Events of Default*).

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

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

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

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

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

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

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

provided that, for the purposes of any redemption of the Notes in accordance with the Note Payment Sequence following breach of any Coverage Test, the Note Payment Sequence shall terminate immediately after the paragraph above that refers to the Class of Notes to which such Coverage Test relates.

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

(a) the introduction of a new, or any change in, any home jurisdiction or foreign tax statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation (whether proposed, temporary or final) which results in (or would on the next Payment Date result in) any payment of principal or interest on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and/or the Subordinated Notes becoming properly subject to any withholding tax other than:

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

  (ii) withholding tax in respect of FATCA;

  (iii) by reason of the failure by the relevant Noteholder to comply with any Transaction Document which sets out applicable procedures required to establish non-residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland or other applicable taxing authority; and

  (iv) U.S. federal backup withholding tax; or

(b) UK or U.S. state, federal or governmental tax authorities impose net income, profits (including, without limitation, diverted profits) or similar tax upon the Issuer (or its representative) in an amount in excess of €1,000 per annum; or

(c) the Issuer is liable to pay net income, profits or similar tax in Ireland (other than Irish corporate income tax in relation to the Issuer Profit Amount) in an amount in excess of €1,000 per annum.

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

"**Offer**" means, with respect to any Collateral Debt Obligation, (a) any offer by the Obligor under such obligation or by any other Person made to all of the creditors of such Obligor in relation to such obligation to purchase or otherwise acquire such obligation (other than pursuant to any redemption in accordance with the terms of the related Underlying Instruments) or to convert or exchange such obligation into or for cash, securities or any other type of consideration (whether by way of amendment and restatement of the existing facility, novation, substitution or other method) or (b) any solicitation by the Obligor of such obligation or any other Person to amend, modify or waive any provision of such obligation or any related Underlying Instrument, or (c) any offer or consent request with respect to a Maturity Amendment.

"**Ongoing Expense Excess Amount**" means, on any Payment Date, an amount determined by the Collateral Manager in its discretion, which shall be equal to the excess, if any, of (i) the Senior Expenses Cap over (ii) the sum of (without duplication) (x) all amounts paid pursuant to paragraph

(B) and (C) of Condition 3(c)(i) (*Application of Interest Proceeds*) on such Payment Date plus (y) all Trustee Fees and Expenses and Administrative Expenses paid during the related Due Period.

"**Ongoing Expense Reserve Amount**" means, on any Payment Date, an amount equal to the lesser of (i) the Ongoing Expense Reserve Ceiling and (ii) the Ongoing Expense Excess Amount, each as at such Payment Date.

"**Ongoing Expense Reserve Ceiling**" means, on any Payment Date, the excess, if any, of €500,000 over the amount then on deposit in the Expense Reserve Account without giving effect to any deposit thereto on such Payment Date pursuant to paragraph (D) of Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Optional Redemption**" means a redemption pursuant to and in accordance with Condition 7(b) (*Optional Redemption*).

"**Ordinary Resolution**" means an ordinary resolution as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**Originator Requirement"** means the requirement which will be satisfied if, on the Issue Date:

(a) the Aggregate Principal Balance of all Collateral Debt Obligations that have been acquired by the Issuer, or in respect of which the Issuer has entered into a binding commitment to acquire, from the Collateral Manager; divided by

(b) the Target Par Amount,

is greater than or equal to 5 per cent.

"**Other Plan Law**" means any federal, state, local or non-U.S. law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

"**Outstanding**" means in relation to the Notes of a Class as of any date of determination, all of the Notes of such Class that have been issued and not redeemed or purchased and cancelled by the Issuer, as further defined in the Trust Deed.

"**Par Value Ratio**" means the Class A/B Par Value Ratio, the Class C Par Value Ratio, the Class D Par Value Ratio or the Class E Par Value Ratio (as applicable) and the Class F Par Value Ratio.

"**Par Value Test**" means the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test or the Class E Par Value Test (as applicable).

"**Partial PIK Obligation**" means any Collateral Debt Obligation with respect to which under the related underlying instruments (i) a portion of the interest due thereon is required to be paid in cash on each payment date therefor and is not permitted to be deferred or capitalised (which portion will at least be equal to EURIBOR or the applicable index with respect to which interest on such Collateral Debt Obligation is calculated (or, in the case of a Fixed Rate Collateral Debt Obligation, at least equal to the forward swap rate for a designated maturity equal to the scheduled maturity of such Collateral Debt Obligation)) and (ii) the issuer thereof or Obligor thereon may defer or capitalise the remaining portion of the interest due thereon.

"**Participation**" means an interest in a Collateral Debt Obligation taken indirectly by the Issuer by way of sub-participation from a Selling Institution which shall include, for the purposes of the Bivariate Risk Table set out in the Collateral Management Agreement, Intermediary Obligations.

"**Participation Agreement**" means an agreement between the Issuer and a Selling Institution in relation to the purchase by the Issuer of a Participation.

"**Paying Agent**" means each of the Principal Paying Agent and any additional or further paying agent appointed under the Agency Agreement.

"**Payment Account**" means the non-interest bearing account described as such in the name of the Issuer held with the Account Bank to which amounts shall be transferred by the Account Bank and/or the Custodian, as applicable, on the instructions of the Collateral Administrator on the Business Day prior to each Payment Date out of certain of the other Accounts in accordance with Condition 3(i) (*Accounts*) out of which the amounts required to be paid on each Payment Date pursuant to the Priorities of Payments shall be paid.

"**Payment Date**" means:

(a) prior to the occurrence of a Frequency Switch Event, 21 February, 21 May, 21 August and 21 November; or

(b) following the occurrence of a Frequency Switch Event, (A) 21 February and 21 August (where the Payment Date immediately prior to the occurrence of the relevant Frequency Switch Event falls in either February or August), or (B) 21 May and 21 November (where the Payment Date immediately prior to the occurrence of the relevant Frequency Switch Event falls in either May or November),

in each case in each year commencing on 21 August 2017 up to and including the Maturity Date (each a "**scheduled Payment Date**") and any Redemption Date, the Final Distribution Date and/or following the date upon which the Rated Notes have been redeemed in full, any Business Day (other than and in addition to the dates set out in paragraph (a) and (b) above and any Redemption Date) either agreed between the Issuer and the Collateral Manager or designated by the Issuer and the Collateral Manager as directed by the Subordinated Noteholders acting by Ordinary Resolution and notified to the Principal Paying Agent, the Collateral Administrator, the Trustee and the Noteholders (in accordance with Condition 16 (*Notices*)) (each an "**unscheduled Payment Date**"), *provided that*, if any Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day that is a Business Day (unless it would thereby fall in the following month, in which case it shall be brought forward to the immediately preceding Business Day).

"**Payment Date Report**" means the report defined as such in the Collateral Management Agreement which is prepared by the Collateral Administrator as of the Determination Date preceding a Payment Date (in consultation with the Collateral Manager) on behalf of the Issuer and made available via a secured website currently located at https://gctinvestorreporting.bnymellon.com which shall be accessible to the Issuer, the Trustee, the Collateral Manager, the Hedge Counterparties, the Placement Agent, the Registrar and the Rating Agencies and any holder of a beneficial interest in any Notes by way of a unique password which, in the case of each Noteholder, may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes, not later than the Business Day preceding the related Payment Date or Redemption Date, as applicable.

"**Permitted Use**" means, with respect to: (a) any Contribution received into the Contributions Account or the application thereof in accordance with Condition 3(k)(viii) (*Contributions Account*); or (b) any Collateral Enhancement Amounts received into the Collateral Enhancement Account, or the application thereof in accordance with Condition 3(k)(vi) (*Collateral Enhancement Account*); or (c) proceeds from the issue of additional Subordinated Notes in accordance with Condition 17 (*Additional Issuance*), any of the following uses: (i) the transfer of the applicable portion of such amount to the Interest Account for application as Interest Proceeds; (ii) the transfer of the application portion of such amount to the Principal Account for application as Principal Proceeds; (iii) the repurchase of Rated Notes of any Class through a tender offer, in the open market, or in privately negotiated transaction(s) in accordance with Condition 7(k) (*Purchase*) (in each case, subject to applicable law); and (iv) subject to the limitations in the Transaction Documents with respect to Margin Stock, the purchase of one or more Collateral Enhancement Debt Obligations, in each case

subject to the limitations set out in the Transaction Documents; and (v) the transfer of the applicable portion of such amount to the Expense Reserve Account (without regard for any applicable cap on amounts to be deposited in such account) for application in connection with a Refinancing.

"**Person**" means an individual, corporation (including a business trust), partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"**PIK Obligation**" means any Collateral Debt Obligation (other than a Partial PIK Obligation) which is a security (or other debt obligation), the terms of which permit the deferral of the payment of interest thereon, (excluding (i) any Collateral Debt Obligation which permits such deferral only upon unavailability of proceeds for the Obligor to make such payments or (ii) any Collateral Debt Obligation in respect of which less than 50 per cent. of the interest payable thereon may be so deferred), including without limitation by way of capitalising interest thereon *provided that*, for the avoidance of doubt, Mezzanine Obligations shall not constitute PIK Obligations.

"**Placement Agreement**" means the placement agency agreement between the Issuer and the Placement Agent.

"**Portfolio**" means the Collateral Debt Obligations, Collateral Enhancement Debt Obligations, Exchanged Security, Eligible Investments and other similar obligations or securities held by or on behalf of the Issuer from time to time.

"**Portfolio Profile Tests**" means the Portfolio Profile Tests each as defined in the Collateral Management Agreement.

"**Post-Acceleration Priority of Payments**" means the priority of payments set out in Condition 11 (*Enforcement*).

"**Presentation Date**" means a day which (subject to Condition 12 (*Prescription*)):

(a) is a Business Day;

(b) is or falls after the relevant due date or, if the due date is not or was not a Business Day in the place of presentation, is or falls after the next following Business Day which is a Business Day in the place of presentation; and

(c) is a Business Day in which the account specified by the payee is open.

"**Principal Account**" means the account described as such in the name of the Issuer held with the Custodian.

"**Principal Amount Outstanding**" means in relation to any Class of Notes and at any time, the aggregate principal amount outstanding under such Class of Notes at that time, which, in the case of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, shall include Deferred Interest which has been capitalised pursuant to Condition 6(c) (*Deferral of Interest*) save that Deferred Interest shall not be included for the purposes of determining voting rights or the right to give directions or instructions attributable to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, as applicable, and the applicable quorum at any meeting of the Noteholders pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

"**Principal Balance**" means, with respect to any Collateral Debt Obligation, Eligible Investment, Collateral Enhancement Debt Obligation or Exchanged Security, as of any date of determination, the outstanding principal amount thereof (excluding any interest capitalised pursuant to the terms of such instrument other than, with respect to a Mezzanine Obligation, a PIK Obligation or a Partial PIK Obligation, any such interest capitalised pursuant to the terms thereof which is paid for on the date of

acquisition of such Mezzanine Obligation, PIK Obligation or Partial PIK Obligation), *provided however that*:

(a) the Principal Balance of any Revolving Obligation and Delayed Drawdown Collateral Debt Obligation as of any date of determination, shall be the outstanding principal amount of such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, *plus* any undrawn commitments that have not been irrevocably cancelled with respect to such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation;

(b) the Principal Balance of each Exchanged Security and each Collateral Enhancement Debt Obligation, shall be deemed to be zero;

(c) the Principal Balance of any Non-Euro Obligation shall be:

(i) in the case of an Asset Swap Obligation, the Euro notional amount of the Asset Swap Transaction entered into in respect thereof (or to the extent that such Asset Swap Obligation is not subject to an Asset Swap Transaction at any time prior to the related settlement date, the Principal Balance of such Asset Swap Obligation shall be its then outstanding principal amount multiplied by the Applicable Exchange Rate); or

(ii) in the case of an Unhedged Collateral Debt Obligation:

(A) if such Unhedged Collateral Debt Obligation is denominated in a Qualifying Unhedged Obligation Currency and has been an Unhedged Collateral Debt Obligation for less than 90 calendar days since the settlement date thereof, the product of (i) prior to the settlement date, 100 per cent. or after the settlement date, 50 per cent. of the principal amount of such Unhedged Collateral Debt Obligation and (ii) the Applicable Exchange Rate; and

(B) in respect of any other Unhedged Collateral Debt Obligation, zero;

(iii) *provided that*, in respect of clause (c)(ii)(A) above,

(A) if the Unhedged Aggregate Principal Balance is greater than 2.5 per cent. of the Aggregate Collateral Balance, the Principal Balance of all Unhedged Collateral Debt Obligations calculated in accordance with (c)(ii)(A) above shall be multiplied by 2.5 per cent. of the Aggregate Collateral Balance and divided by the Unhedged Aggregate Principal Balance; and

(B) the Principal Balance of each Unhedged Collateral Debt Obligation shall be deemed to be zero if (after giving effect to the purchase of any unsettled Unhedged Collateral Debt Obligation and calculating the principal balance thereof in accordance with the provisions of the Principal Balance for Unhedged Collateral Debt Obligations) the Aggregate Collateral Balance is lower than the Reinvestment Target Par Amount;

(d) the Principal Balance of any cash shall be the amount of such cash, *provided that* if such cash amount is in a currency other than Euro, such amount shall be converted where applicable into Euro at the Spot Rate, save in respect of an Asset Swap Obligation where any such cash shall be converted into Euro at the Applicable Exchange Rate;

(e) for the purposes of determining satisfaction of the Originator Requirement, the Principal Balance of any Collateral Debt Obligation shall be its Principal Balance determined without any adjustments for purchase price or the application of haircuts or other adjustments; and

(f) if in respect of any Corporate Rescue Loan either (A) (x) no Moody's Rating is available or (y) no credit estimate assigned to it by Moody's, in each case, within 90 days following the

Issuer entering into a binding commitment to acquire such Corporate Rescue Loan, then the Principal Balance of such Corporate Rescue Loan shall be its Moody's Collateral Value unless and until a Moody's Rating or credit estimate is available or assigned by Moody's or (B) (x) no Fitch Rating is available or (y) no credit estimate assigned to it by Fitch, in each case, within 90 days following the Issuer entering into a binding commitment to acquire such Corporate Rescue Loan, then the Principal Balance of such Corporate Rescue Loan shall be its Fitch Collateral Value unless and until a Fitch Rating or credit estimate is available or assigned by Fitch, *provided that* if both paragraphs (A) and (B) apply then the Principal Balance of such Corporate Rescue Loan shall be the lower of the two.

"**Principal Proceeds**" means all amounts paid or payable into the Principal Account from time to time and, with respect to any Payment Date, means Principal Proceeds received or receivable by the Issuer during the related Due Period and any other amounts to be disbursed as Principal Proceeds on such Payment Date pursuant to Condition 3(c)(ii) (*Application of Principal Proceeds*) or Condition 11(b) (*Enforcement*). For the avoidance of doubt, amounts received as principal proceeds in connection with an Offer for the exchange of a Collateral Debt Obligation for a new or novated obligation or substitute obligation will not constitute Principal Proceeds and will not be deposited into the Principal Account to the extent such principal proceeds are required to be applied as consideration for the new or novated obligation or substitute obligation (subject to the Restructured Obligation Criteria being satisfied).

"**Principal Proceeds Priority of Payments**" means the priority of payments in respect of Principal Proceeds set out in Condition 3(c)(ii) (*Application of Principal Proceeds*).

"**Priorities of Payments**" means:

(a) save for (i) in connection with any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*), (ii) in connection with a redemption in whole pursuant to Condition 7(g) (*Redemption following Note Tax Event*) or (iii) following the acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*), which, if such acceleration is by way of the delivery of an Acceleration Notice (actual or deemed), such Acceleration Notice has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), in the case of Interest Proceeds, the Interest Proceeds Priority of Payments and in the case of Principal Proceeds, the Principal Proceeds Priority of Payments; and

(b) in the event of any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*) or following the acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*), which, if such acceleration is by way of the delivery of an Acceleration Notice (actual or deemed), such Acceleration Notice has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), the Post-Acceleration Priority of Payments.

"**Project Finance Loan**" means a loan obligation under which the obligor is obliged to make payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of payments) on revenues arising from infrastructure assets, including, without limitation:

(a) the sale of products, such as electricity, water, gas or oil, generated by one or more infrastructure assets in the utility industry by a special purpose entity; and

(b) fees charged in respect of one or more highways, bridges, tunnels, pipelines or other infrastructure assets by a special purpose entity, and

in each case, the sole activity of such special purpose entity is the ownership and/or management of such asset or assets and the acquisition and/or development of such asset by the special purpose entity

was effected primarily with the proceeds of debt financing made available to it on a limited recourse basis.

"**Purchased Accrued Interest**" means, with respect to any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Collateral Debt Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Debt Obligation (including, in respect of a Mezzanine Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was purchased at the time of the acquisition thereof with Principal Proceeds and/or amounts paid out of the Unused Proceeds Account. Any accrued interest on Collateral Debt Obligations which the Issuer is paying to the warehouse providers on the Issue Date in accordance with the Warehouse Arrangements shall also constitute Purchased Accrued Interest when such interest amounts are received by the Issuer in respect of such Collateral Debt Obligations.

"**QIB**" means a Person who is a "qualified institutional buyer" as defined in Rule 144A.

"**QIB/QP**" means a Person who is both a QIB and a QP.

"**Qualified Purchaser**" and "**QP**" mean a Person who is a "qualified purchaser" as defined in Section 2(a)(51)(A) of the Investment Company Act.

"**Qualifying Country**" means each of Austria, Belgium, Bermuda, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Liechtenstein, Luxembourg, Norway, Portugal, Spain, Sweden, Switzerland, the United States or the United Kingdom and any other country having a foreign currency issuer credit rating, at the time of acquisition of the relevant Eligible Investment, of at least "Aa3" by Moody's and "AA-" by Fitch or any other country which has been approved, at the time of acquisition of the relevant Eligible Investment, as a Qualifying Country by the Rating Agencies in writing.

"**Qualifying Currency**" means Euro, Sterling, U.S. Dollars, Danish Krone, Norwegian Krone, Swedish Krona, Canadian Dollars, Australian Dollars, New Zealand Dollars, Swiss Francs, Japanese Yen or any other currency in respect of which Rating Agency Confirmation has been received.

"**Qualifying Unhedged Obligation Currency**" means Sterling, U.S. Dollars, Danish Krone, Norwegian Krone, Swedish Krona, Swiss Francs.

"**Rated Notes**" means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, Class E Notes and the Class F Notes.

"**Rating Agencies**" means Fitch and Moody's, *provided that* if at any time Fitch and/or Moody's ceases to provide rating services, "**Rating Agencies**" shall mean any other nationally recognised investment rating agency or rating agencies (as applicable) selected by the Issuer (a "**Replacement Rating Agency**") and "**Rating Agency**" means any such rating agency. In the event that at any time a Rating Agency is replaced by a Replacement Rating Agency, references to rating categories of the original Rating Agency in these Conditions, the Trust Deed and the Collateral Management Agreement shall be deemed instead to be references to the equivalent categories of the relevant Replacement Rating Agency as of the most recent date on which such other rating agency published ratings for the type of security in respect of which such Replacement Rating Agency is used and all references herein to "**Rating Agencies**" shall be construed accordingly. Any rating agency shall cease to be a Rating Agency if, at any time, it ceases to assign a rating in respect of any Class of Rated Notes.

"**Rating Agency Confirmation**" means, with respect to any specified action, determination or appointment, receipt by the Issuer and/or the Trustee of written confirmation (which may take the form of a bulletin, press release, email or other written communication) by each Rating Agency which has, as at the relevant date assigned ratings to any Class of the Rated Notes that are Outstanding (or, if

applicable, the Rating Agency specified in respect of any such action or determination, *provided that* such Rating Agency has, as at the relevant date assigned ratings to any Class of the Rated Notes) that such specified action, determination or appointment will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency. Notwithstanding anything to the contrary in any Transaction Document and these Conditions, no Rating Agency Confirmation shall be required from a Rating Agency in respect of any action or determination if such Rating Agency has declined a request from the Trustee, the Collateral Manager or the Issuer to review the effect of such action, determination or appointment or if such Rating Agency announces (publicly or otherwise) or confirms in writing to the Trustee, the Collateral Manager or the Issuer that Rating Agency Confirmation from such Rating Agency is not required, or that its practice is to not give such confirmations for such type of action, determination or appointment or such Rating Agency has ceased to engage in the business of providing ratings or has made a public statement to the effect that it will no longer review events or circumstances of the type requiring Rating Agency Confirmation under any Transaction Documents or these Conditions for purposes of evaluating whether to confirm the then-current ratings (or initial ratings) of obligations rated by such Rating Agency.

"**Rating Confirmation Plan**" means a plan provided by the Collateral Manager (acting on behalf of the Issuer) to the Rating Agencies setting forth the intended timing and manner of acquisition of additional Collateral Debt Obligations and/or any other intended action which will cause confirmation of the Initial Ratings, pursuant to and in accordance with the Collateral Management Agreement.

"**Rating Requirement**" means:

(a) in the case of the Account Bank:

(i) a long-term issuer default rating of at least "A" and a short-term issuer default rating of at least "F1" by Fitch; and

(ii) a long-term senior unsecured issuer credit rating of at least "A3" by Moody's; and

(b) in the case of the Custodian:

(i) a long-term issuer default rating of at least "A" and a short-term issuer default rating of at least "F1" by Fitch; and

(ii) a long-term senior unsecured issuer credit rating of at least "A3" by Moody's; and

(c) in the case of any Hedge Counterparty, the ratings requirement(s) as set out in the relevant Hedge Agreement; and

(d) in the case of a Selling Institution with regards to a Participation only, a counterparty which satisfies the ratings set out in the Bivariate Risk Table; or

in each case, (x) such other rating or ratings as may be agreed by the relevant Rating Agency as would maintain the then rating of the Rated Notes, and (y) if any of the requirements are not satisfied, by any of the parties referred to herein, Rating Agency Confirmation from the relevant Rating Agency is received in respect of such party.

"**Receiver**" has the meaning given thereto in Condition 10(a)(vi) (*Insolvency Proceedings*).

"**Record Date**" means in respect of Notes represented by a Definitive Certificate, the fifteenth day before the relevant due date for payment of principal and interest in respect of such Note, and in respect of Notes represented by a Global Certificate, the close of business on the Clearing System Business Day before the relevant due date for payment of principal and interest in respect of such Note.

"**Redemption Date**" means each date specified for a redemption of the Notes of a Class pursuant to Condition 7 (*Redemption and Purchase*) or, if such day is not a Business Day, the next following

Business Day or the date on which the Notes of such Class are accelerated pursuant to Condition 10(a) (*Note Events of Default*).

"**Redemption Determination Date**" has the meaning given thereto in Condition 7(b)(viii) (*Optional Redemption in whole of all Classes of Notes effected through Liquidation only*).

"**Redemption Notice**" means a redemption notice in the form available from any of the Transfer Agents which has been duly completed by a Noteholder and which specifies, amongst other things, the applicable Redemption Date.

"**Redemption Price**" means, when used with respect to:

(a) any Subordinated Note, such Subordinated Note's *pro rata* share (calculated in accordance with paragraph (BB) of Condition 3(c)(i) (*Application of Interest Proceeds*), paragraph (S) of Condition 3(c)(ii) (*Application of Principal Proceeds*) and paragraph (Z) of the Post-Acceleration Priority of Payments of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application thereof in accordance with the Priorities of Payments; and

(b) any Class A Note, Class B Note, Class C Note, Class D Note, Class E Note or Class F Note, 100 per cent. of the Principal Amount Outstanding thereof (if any), together with any accrued and unpaid interest in respect thereof to the relevant day of redemption and in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, any Deferred Interest and any interest accrued thereon,

provided that, in each case, the Redemption Price for a Class may be such lower amount as may be agreed by the Noteholders of such affected Class acting by way of a Unanimous Resolution.

"**Redemption Threshold Amount**" means the aggregate of all amounts which would be due and payable on redemption of the Rated Notes on the scheduled Redemption Date pursuant to Condition 11(b) (*Enforcement*) which rank in priority to payments in respect of the Subordinated Notes in accordance with the Post-Acceleration Priority of Payments.

"**Reference Banks**" has the meaning given thereto in paragraph (B) of Condition 6(e)(i) (*Floating Rate of Interest*).

"**Refinancing**" has the meaning given to it in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

"**Refinancing Costs**" means the fees, costs, charges and expenses incurred by or on behalf of the Issuer in respect of a Refinancing, *provided that* such fees, costs, charges and expenses have been incurred as a direct result of a Refinancing, as determined by the Collateral Manager.

"**Refinancing Expense Reserve Amount**" means an amount designated by the Collateral Manager to be remitted to the Refinancing Expense Reserve Sub-Account equal to the sum of all amounts that would have otherwise been payable to the holders of the Subordinated Notes on a Payment Date but were instead reserved or are to be reserved as contemplated under clause (e) of the definition of Administrative Expenses.

"**Refinancing Expense Reserve Sub-Account**" means a segregated non-interest bearing sub-account of the Expense Reserve Account.

"**Refinancing Proceeds**" means the cash proceeds from a Refinancing.

"**Register**" means the register of holders of the legal title to the Notes kept by the Registrar pursuant to the terms of the Agency Agreement.

"**Regulation S**" means Regulation S under the Securities Act.

"**Regulation S Notes**" means the Notes offered for sale to non-U.S. Persons in offshore transactions outside of the United States in reliance on Regulation S.

"**Reinvestment Balance Criteria**" means after giving effect to any proposed sales and purchases (if any) of Collateral Debt Obligations, in each case, including the additional Collateral Debt Obligation(s) being purchased (if any) and without duplication the anticipated net proceeds from such sale(s) but excluding the Collateral Debt Obligation(s) being sold, any of (1) the Adjusted Aggregate Collateral Balance will be maintained or increased, (2) the Aggregate Collateral Balance will be at least equal to the Reinvestment Target Par Amount or (3) the Aggregate Collateral Balance will be maintained or increased.

"**Reinvestment Criteria**" has the meaning given to it in the Collateral Management Agreement.

"**Reinvestment Period**" means the period from and including the Issue Date up to and including the earliest of: (i) the Payment Date scheduled to fall on or around 21 February 2021; (ii) the date of the acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*) (*provided that*, if such acceleration is by way of delivery of an Acceleration Notice (actual or deemed), such Acceleration Notice has not been rescinded or annulled in accordance with Condition 10(c) (*Curing of Default*)); (iii) the date specified by the Collateral Manager at its option with the prior consent of the Subordinated Noteholders (acting by way of Ordinary Resolution), in order to facilitate a Refinancing; and (iv) the date on which the Collateral Manager reasonably believes and certifies to the Issuer, the Collateral Administrator, the Rating Agencies and the Trustee that it can no longer reinvest in additional Collateral Debt Obligations in accordance with the Reinvestment Criteria, *provided that* in the case of paragraph (iii) above, the Collateral Manager shall notify the Issuer (who shall notify the Noteholders in accordance with Condition 16 (*Notices*)), the Trustee and the Collateral Administrator thereof in writing at least one Business Day prior to such Date.

"**Reinvestment Target Par Amount**" means, as of any date of determination, the Target Par Amount (or solely for the purpose of the definition of Restricted Trading Period, the Aggregate Risk Adjusted Par Amount) *minus*: (i) the amount of any reduction in the Principal Amount Outstanding of the Notes (other than repayment of any Deferred Interest) *plus* (ii) the aggregate amount of Principal Proceeds that result from the issuance of such additional Notes.

"**Replacement Asset Swap Transaction**" means any Asset Swap Transaction entered into by the Issuer, or the Collateral Manager on its behalf, in accordance with the provisions of the Collateral Management Agreement upon termination of an existing Asset Swap Transaction on substantially the same terms as such terminated Asset Swap Transaction, that preserves for the Issuer the economic effect of the terminated Asset Swap Transaction, subject to such amendments thereto as may be agreed by the Collateral Manager, acting on behalf of the Issuer.

"**Replacement Interest Rate Hedge Transaction**" means any Interest Rate Hedge Transaction entered into by the Issuer, or the Collateral Manager on its behalf, in accordance with the provisions of the Collateral Management Agreement upon termination of an existing Interest Rate Hedge Transaction on substantially the same terms as such terminated Interest Rate Hedge Transaction, that preserves for the Issuer the economic effect of the terminated Interest Rate Hedge Transaction, subject to such amendments thereto as may be agreed by the Collateral Manager, acting on behalf of the Issuer.

"**Report**" means each Monthly Report and Payment Date Report.

"**Reporting Delegate**" means a Hedge Counterparty or third party that undertakes to provide delegated reporting in connection with certain derivative transaction reporting obligations of the Issuer.

"**Reporting Delegation Agreement**" means an agreement in a form approved by the Rating Agencies for the delegation by the Issuer of certain derivative transaction reporting obligations to one or more Reporting Delegates.

"**Resolution**" means any Ordinary Resolution, Extraordinary Resolution or Unanimous Resolution, as the context may require.

"**Restricted Trading Period**" means the period during which (a) the Moody's rating or the Fitch rating of the Class A Notes is withdrawn (and not reinstated) or is one or more sub-categories below its rating on the Issue Date or (b) the Moody's rating or the Fitch rating of the Class B Notes or the Class C Notes is withdrawn (and not reinstated) or is two or more sub-categories below its rating on the Issue Date; *provided that* in each case that such period shall not constitute a Restricted Trading Period if (1) the relevant Class of Notes is no longer outstanding; (2) the Aggregate Principal Balance of all Collateral Debt Obligations and Eligible Investments representing Principal Proceeds and amounts standing to the credit of the Principal Account and the Unused Proceeds Account is at least equal to the Reinvestment Target Par Amount; (3) if the downgrade or withdrawal of such rating is as a result of either (a) regulatory change or (b) a change in Moody's structured finance rating criteria or the Fitch structured finance rating criteria; or (4) (so long as such Moody's rating or Fitch rating, as applicable, has not been further downgraded, withdrawn or put on watch for potential downgrade) upon the direction of the Issuer with the consent of the Controlling Class acting by Ordinary Resolution, which direction shall remain in effect until the earlier of (i) a further downgrade or withdrawal of such Moody's rating or Fitch rating, as applicable, that, disregarding such direction, would cause the conditions set out above to be true and (ii) a subsequent direction to the Issuer (with a copy to the Trustee and the Collateral Administrator) by the Controlling Class acting by way of Ordinary Resolution declaring the beginning of a Restricted Trading Period; *provided, further,* that no Restricted Trading Period will restrict any sale of a Collateral Debt Obligation entered into by the Issuer at a time when a Restricted Trading Period was not in effect, regardless of whether such sale has settled.

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

"**Restructured Obligation Criteria**" means the restructured obligation criteria specified in the Collateral Management Agreement which are required to be satisfied in respect of each Restructured Obligation at the applicable Restructuring Date.

"**Restructuring Date**" means the date a restructuring of a Collateral Debt Obligation becomes binding on the holders thereof provided if an obligation satisfies the Restructured Obligation Criteria at a later date, such later date shall be deemed to be the Restructuring Date for the purposes of determining whether such obligation shall constitute a Restructured Obligation.

"**Retention Event**" means an event which occurs if at any time the Retention Holder sells, hedges or otherwise mitigates its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except to the extent permitted (a) under the Retention Letter, to a successor collateral manager upon a removal of the Retention Holder as the Collateral Manager or (b) in accordance with the EU Retention Requirements.

"**Retention Holder**" means Oak Hill Advisors (Europe), LLP in its capacity as retention holder and any successor, assign or transferee to the extent permitted under, the Retention Letter and the EU Retention Requirements and the U.S. Risk Retention Rules and notified in writing to the Trustee, the Collateral Administrator and the Issuer.

"**Retention Letter**" means the letter entered into between the Issuer, the Retention Holder, the Collateral Administrator, the Trustee and Goldman Sachs International in its capacity as sole arranger and placement agent dated on or about 25 January 2017 (as may be amended, supplemented or replaced in accordance with the EU Retention Requirements) and notified in writing to the Trustee, the Collateral Administrator and the Issuer).

"**Retention Notes**" means the Notes of each Class subscribed for by the Retention Holder on the Issue Date and comprising as at the Issue Date, 5 per cent. of the nominal value of each such Class.

"**Revolving Obligation**" means any Collateral Debt Obligation (other than a Delayed Drawdown Collateral Debt Obligation) that is a loan (including, without limitation, revolving loans, funded and unfunded portions of revolving credit lines and letter of credit facilities, unfunded commitments under specific facilities and other similar loans and investments) that pursuant to the terms of its Underlying Instruments may require one or more future advances to be made to the borrower by the Issuer; but any such Collateral Debt Obligation will be a Revolving Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"**Rule 144A**" means Rule 144A under the Securities Act.

"**Rule 144A Notes**" means Notes offered for sale within the United States or to U.S. Persons in reliance on Rule 144A.

"**Rule 17g-5**" means Rule 17g-5 under the Exchange Act as may be amended or replaced.

"**S&P**" means Standard & Poor's Ratings Services, a division of the McGraw Hill Companies, Inc. and any successor or successors thereto.

"**S&P Issuer Credit Rating**" has the meaning given to it in the Collateral Management Agreement.

"**S&P Rating**" has the meaning given to it in the Collateral Management Agreement.

"**Sale Proceeds**" means:

(a) all proceeds received upon the sale of any Collateral Debt Obligation (save for any Asset Swap Obligation), including proceeds received upon the sale of any Unhedged Collateral Debt Obligation converted into Euro at the Applicable Exchange Rate, but excluding any sale proceeds representing accrued interest designated as Interest Proceeds, by the Collateral Manager *provided that* no such designation may be made in respect of: (1) Purchased Accrued Interest; or (2) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; or (3) proceeds that represent deferred interest accrued in respect of any PIK Obligation; or (4) proceeds representing accrued interest received in respect of any Defaulted Obligation unless and until (x) such amounts represent Defaulted Obligation Excess Amounts and (y) any Purchased Accrued Interest in relation to such Defaulted Obligation has been paid, together with all proceeds received upon the sale of any Collateral Enhancement Debt Obligation or Exchanged Security;

(b) in the case of any Asset Swap Obligation, all amounts in Euro (or other currencies if applicable) payable to the Issuer by the applicable Asset Swap Counterparty in exchange for payment by the Issuer of the sale proceeds of any Collateral Debt Obligation as described in paragraph (i) above but amended to apply to such Asset Swap Obligation, under the related Asset Swap Transaction (after netting against any Asset Swap Termination Payment (determined without regard to the exclusions of unpaid amounts and Asset Swap Issuer Principal Exchange Amounts set out in the definition thereof) payable by the Issuer in such circumstances); and

(c) in the case of any Collateral Enhancement Debt Obligation, all proceeds and any fees received upon the sale of such Collateral Enhancement Debt Obligation,

in each case net of any amounts expended by or payable by the Issuer or the Collateral Administrator (on behalf of the Issuer) in connection with sale, disposition or termination of such Collateral Debt Obligation.

"**Scheduled Periodic Asset Swap Counterparty Payment**" means, with respect to any Asset Swap Transaction, the periodic amounts in the nature of coupon (and not principal) scheduled to be paid to the Issuer by the applicable Asset Swap Counterparty pursuant to the terms of such Asset Swap Transaction, excluding any Asset Swap Termination Receipts, any Asset Swap Replacement Receipts and any Asset Swap Counterparty Principal Exchange Amounts.

"**Scheduled Periodic Asset Swap Issuer Payment**" means, with respect to any Asset Swap Transaction, the periodic amounts in the nature of coupon (and not principal) scheduled to be paid to the applicable Asset Swap Counterparty by the Issuer pursuant to the terms of such Asset Swap Transaction, excluding any Asset Swap Termination Payments, any Asset Swap Replacement Payments and any Asset Swap Issuer Principal Exchange Amounts.

"**Scheduled Periodic Interest Rate Hedge Counterparty Payment**" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Interest Rate Hedge Counterparty to the Issuer pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Interest Rate Hedge Termination Receipt.

"**Scheduled Periodic Interest Rate Hedge Issuer Payment**" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Issuer to the applicable Interest Rate Hedge Counterparty pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Interest Rate Hedge Termination Payment.

"**Scheduled Principal Proceeds**" means:

(a) in the case of any Collateral Debt Obligation (other than Non-Euro Obligations with a related Asset Swap Transaction), scheduled principal repayments received by the Issuer (including scheduled amortisation, instalment or sinking fund payments);

(b) in the case of any Non-Euro Obligation with a related Asset Swap Transaction, scheduled final and interim payments in the nature of the principal payable to the Issuer by the applicable Asset Swap Counterparty under the related Asset Swap Transaction; and

(c) in the case of any Hedge Agreements, any Hedge Replacement Receipts and Hedge Termination Payments transferred from the Hedge Termination Account into the Principal Account and any amounts transferred from a Counterparty Downgrade Collateral Account to the Principal Account in accordance with Condition 3(k)(v) (*Counterparty Downgrade Collateral Accounts*).

"**Second Lien Loan**" means an obligation (other than a Senior Secured Loan) with a junior contractual claim on tangible or intangible property (which property is subject to a prior lien (other than customary permitted liens, such as, but not limited to, any tax liens)) to secure payment of a debt or the fulfilment of a contractual obligation, as determined by the Collateral Manager in its reasonable commercial judgement.

"**Secured Party**" means each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, the Placement Agent, the Collateral Manager, the Trustee, any Receiver or other Appointee, the Agents, each Hedge Counterparty, the Corporate Services Provider, the Retention Holder and "**Secured Parties**" means any two or more of them as the context so requires.

"**Secured Senior RCF Percentage**" means in relation to a Senior Secured Bond or a Senior Secured Loan, 15 per cent. (or such higher percentage in respect of which Rating Agency Confirmation is obtained).

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Securitisation Regulation**" shall mean the proposed regulation of the European Union relating to a European framework for simple, transparent and standardised securitisation including any implementing regulations, technical standards and/or official guidance related thereto.

"**Selling Institution**" means an institution from whom (i) a Participation is taken and satisfies the applicable Rating Requirement; or (ii) an Assignment is acquired.

"**Semi-Annual Obligations**" means Collateral Debt Obligations (other than a PIK Obligation) which, at the relevant date of measurement, pay interest less frequently than quarterly but which are not Annual Obligations.

"**Senior Collateral Management Fee**" means the fee payable to the Collateral Manager in arrear on each Payment Date in respect of the immediately preceding Due Period pursuant to the Collateral Management Agreement in an amount, as determined by the Collateral Administrator, equal to 0.20 per cent. per annum of the Fee Basis Amount (exclusive of any VAT) for such Payment Date as determined by the Collateral Administrator (calculated quarterly at all times except following the occurrence of a Frequency Switch Event, in which case it shall be calculated semi-annually in respect of each semi-annual Due Period and, in each case, on the basis of a 360 day year and the actual number of days elapsed in such Due Period).

"**Senior Expenses Cap**" means, in respect of each Payment Date and the Due Period in respect of each Payment Date the sum of:

(a) €275,000 per annum (pro-rated for the Due Period relating to such Payment Date on the basis of a 360 day year comprised of twelve 30-day months); and

(b) 0.025 per cent. per annum (pro-rated for the Due Period relating to such Payment Date on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Aggregate Collateral Balance as at the Determination Date immediately preceding such Payment Date,

provided however that if the amount of Trustee Fees and Expenses and Administrative Expenses paid on each of the three immediately preceding Payment Dates or, if a Frequency Switch Event has occurred, the immediately preceding Payment Date and, in either case, during the related Due Period(s) is less than the stated Senior Expenses Cap in respect of such Payment Date and the related Due Period, the amount of such shortfall will be added to the Senior Expenses Cap with respect to the then current Payment Date. For the avoidance of doubt, any such shortfall may not at any time result in an increase of the Senior Expenses Cap on a per annum basis, which shall be calculated on a rolling twelve month basis, commencing on the first Payment Date.

"**Senior Loan**" means a Collateral Debt Obligation that is a Senior Secured Loan, a Senior Unsecured Obligation or a Second Lien Loan.

"**Senior Secured Bond**" means a Collateral Debt Obligation that is a senior secured debt security in the form of, or represented by, a bond, note, certificated debt security or other debt security (that is not a Senior Secured Loan) as determined by the Collateral Manager in its reasonable judgment, or a Participation therein, *provided that*:

(a) it is secured by a valid and perfected security interest over (x) assets (including any intellectual property rights) of the Obligor and/or the Obligor's group thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in

the case of assets where the failure to take such security is consistent with reasonable secured lending practices), and otherwise (y) at least 80.00 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in (a) above *provided that* (x) a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares in the event of an enforcement in respect of such loan representing up to the Secured Senior RCF Percentage of the Obligor's senior debt and (y) the limitations set out in this paragraph (b) shall not apply with respect to trade claims, capitalised leases or similar obligations.

"**Senior Secured Loan**" means a Collateral Debt Obligation (which may be a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation) that is a senior secured loan obligation as determined by the Collateral Manager in its reasonable judgment or a Participation therein, *provided that*:

(a) it is secured by a valid and perfected security interest over (x) assets (including any intellectual property rights) of the Obligor and/or the Obligor's group thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices), and otherwise (y) at least 80.00 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in (a) above *provided that* (x) a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the Obligor may have a higher priority security interest in such assets or shares in the event of an enforcement in respect of such loan representing up to the Secured Senior RCF Percentage of the Obligor's senior debt and (y) the limitation set out in this clause (b) shall not apply with respect to trade claims, capitalised leases or similar obligations.

"**Senior Unsecured Obligation**" means a Collateral Debt Obligation that:

(a) is an obligation senior to any unsecured, subordinated obligation of the Obligor as determined by the Collateral Manager in its reasonable judgment; and

(b) is not secured (x) by assets of the Obligor or guarantor thereof if and to the extent that the granting of security over assets is permissible under applicable law or (y) by 80.00 per cent. of the equity interests in the shares of an entity owning such fixed assets.

"**Share Trustee**" means MaplesFS Trustees Ireland Limited or any successor entity which holds the share capital of the Issuer on trust.

"**Similar Law**" means any federal, state, local non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to any federal, state, local or non-U.S. law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

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

"**Solvency II Retention Requirements**" means Articles 254 and 256 of the Delegated Regulation (EU) 2015/35, supplementing Solvency II, including any guidance published in relation thereto and

any implementing laws or regulations in force in any Member State of the European Union, provided that references to Solvency II Retention Requirements shall be deemed to include any successor or replacement provisions of Articles 254 and 256 included in any European Union directive or regulation subsequent to Solvency II or the Commission Delegated Regulation (EU) 2015/35.

"**Special Redemption**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Amount**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Date**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Spot Rate**" means with respect to any conversion of any currency into Euro or, as the case may be, of Euro into any other relevant currency, the relevant spot rate of exchange quoted by the Collateral Administrator in consultation with the Collateral Manager on the date of calculation.

"**Sterling**" or "**GBP**" means pounds sterling, being the lawful currency of the United Kingdom.

"**Structured Finance Security**" means any debt security which is secured directly, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar security.

"**Subordinated Collateral Management Fee**" means the fee payable to the Collateral Manager in arrear on each Payment Date in respect of the immediately preceding Due Period pursuant to the Collateral Management Agreement in an amount, as determined by the Collateral Administrator, equal to 0.30 per cent. per annum of the Fee Basis Amount (exclusive of any VAT) for such Payment Date as determined by the Collateral Administrator (calculated quarterly at all times except following the occurrence of a Frequency Switch Event, in which case it shall be calculated semi-annually in respect of each semi-annual Due Period and, in each case, on the basis of a 360 day year and the actual number of days elapsed in such Due Period).

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

"**Substitute Collateral Debt Obligation**" means a Collateral Debt Obligation purchased in substitution for the whole or part of a previously held Collateral Debt Obligation pursuant to the terms of the Collateral Management Agreement and which satisfies the Eligibility Criteria and the purchase of which satisfies the Reinvestment Criteria.

"**Swap Tax Credit**" means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Hedge Counterparty to the Issuer or a reduced payment from the Issuer to the Hedge Counterparty pursuant to the relevant Hedge Agreement.

"**Swapped Non-Discount Obligation**" means any Collateral Debt Obligation that would otherwise be considered a Discount Obligation, but that is purchased with the Sale Proceeds of a Collateral Debt Obligation (the "**Original Obligation**") that was not a Discount Obligation at the time of its purchase and which will not be considered a Discount Obligation so long as such purchased Collateral Debt Obligation:

(a) is purchased or committed to be purchased within 20 Business Days of such sale of the Original Obligation;

(b) has a Moody's Rating no lower than the Moody's Rating of the Original Obligation;

(c) is purchased at a price (as a percentage of par) equal to or greater than the sale price of the Original Obligation; and

(d) is purchased at a price not less than 50 per cent. of (x) in the case of any Collateral Debt Obligation other than an Unhedged Collateral Debt Obligation, the Principal Balance thereof, or (y) in the case of any Unhedged Collateral Debt Obligation, the Unhedged Principal Balance thereof,

provided however that:

(i) to the extent the Aggregate Principal Balance of all Swapped Non-Discount Obligations held by the Issuer as of the relevant date of determination exceeds 7.5 per cent. of the Aggregate Collateral Balance (excluding the Principal Balance of each Defaulted Obligation), such excess will not constitute Swapped Non-Discount Obligations;

(ii) to the extent the cumulative aggregate Principal Balance of all Swapped Non-Discount Obligations acquired by the Issuer on or after the Issue Date (for the avoidance of doubt, whether or not each such Swapped Non-Discount Obligation is currently held by the Issuer) exceeds 15.0 per cent. of the Target Par Amount, such excess will constitute Discount Obligations;

(iii) such Collateral Debt Obligation will cease to be a Swapped Non-Discount Obligation at such time as such Swapped Non-Discount Obligation would no longer otherwise be considered a Discount Obligation; and

(iv) in determining which of the Swapped Non-Discount Obligations shall be included in the excess pursuant to sub-paragraphs (i) or (ii) above, Swapped Non-Discount Obligations in respect of which the Issuer entered into a binding commitment to purchase earlier in time shall be deemed to constitute the excess.

"**Synthetic Security**" means a security or swap transaction (other than a letter of credit or a Participation) on which payments of interest or principal reference an obligation or the credit performance of a reference obligation.

"**Target Par Amount**" means €460,000,000.

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer system (or, if such system ceases to be operative, such other system (if any) determined by the Trustee to be a suitable replacement).

"**Third Party Indemnity Receipts**" has the meaning given to it in Condition 3(k)(xi) (*Expense Reserve Account*).

"**Transaction Documents**" means the Trust Deed (including these Conditions), the Agency Agreement, the Placement Agreement, the Collateral Management Agreement, any Hedge Agreements, the Retention Letter, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement, any Reporting Delegation Agreement and any document supplemental thereto or issued in connection therewith.

"**Trustee Fees and Expenses**" means the costs, fees and expenses and all other liabilities (including by way of indemnity and including, without limitation, legal fees) and all other amounts payable to the Trustee or any Appointee pursuant to the Trust Deed or any other Transaction Document from time to time *plus* any applicable VAT thereon payable under the Trust Deed or any other Transaction Document, including indemnity payments and any fees, costs, charges and expenses properly incurred by the Trustee in respect of any Refinancing.

"**Unanimous Resolution**" means a unanimous resolution as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

"**Underlying Instrument**" means the agreements or instruments pursuant to which a Collateral Debt Obligation has been issued or created and each other agreement that governs the terms of, or secures the obligations represented by, such Collateral Debt Obligation or under which the holders or creditors under such Collateral Debt Obligation are the beneficiaries.

"**Unfunded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, the excess, if any, of (i) the Commitment Amount under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, as the case may be, at such time over (ii) the Funded Amount thereof at such time.

"**Unfunded Revolver Reserve Account**" means the account of the Issuer established and maintained with the Account Bank pursuant to the Agency Agreement, amounts standing to the credit of which, subject to certain conditions, may be used to fund in full the amount of any unfunded commitments or unfunded liabilities from time to time, in relation to Delayed Drawdown Collateral Debt Obligations and Revolving Obligations.

"**Unhedged Aggregate Principal Balance**" means the sum of the principal amount, converted into Euros at the Spot Rate, of each Unhedged Collateral Debt Obligation which has been an Unhedged Collateral Debt Obligation for less than 90 calendar days since the settlement date thereof.

"**Unhedged Collateral Debt Obligation**" means a Non-Euro Obligation which is not an Asset Swap Obligation.

"**Unhedged Principal Balance**" means, in respect of an Unhedged Collateral Debt Obligation, its principal amount converted into Euros at the Spot Rate.

"**Unsaleable Asset**" means any (a) (i) Defaulted Obligation, (ii) Exchanged Security, (iii) obligation received in connection with an Offer, (iv) or other security or debt obligation that is part of the Collateral in respect of which the Issuer has not received a payment in cash during the preceding 12 months or (b) asset, claim or other property identified by the Collateral Manager as having a market value of less than €1,000, if in the case of (a) or (b) the Collateral Manager certifies to the Trustee that it has made reasonable efforts to dispose of such obligation for at least 90 days and, in its commercially reasonable judgement, such obligation is not expected to be saleable for the foreseeable future.

"**Unscheduled Principal Proceeds**" means (a) with respect to any Collateral Debt Obligation (other than an Asset Swap Obligation), principal proceeds (in the case of any Unhedged Collateral Debt Obligations converted into Euro at the Applicable Exchange Rate) received by the Issuer prior to the Collateral Debt Obligation Stated Maturity thereof as a result of optional redemptions, prepayments (including any acceleration) or Offers (excluding any premiums or make whole amounts in excess of the principal amount of such Collateral Debt Obligation) and (b) in the case of any Asset Swap Obligation, the Asset Swap Counterparty Principal Exchange Amount payable in respect of the amounts referred to in (a) above pursuant to the related Asset Swap Transaction, together with (i) any related Asset Swap Termination Receipts but less any related Asset Swap Termination Payment (to the extent any are payable and in each case determined without regard to the exclusions of unpaid amounts and Asset Swap Counterparty Principal Exchange Amounts or (as applicable) Asset Swap Issuer Principal Exchange Amounts set out in the definitions thereof) and only to the extent not required for application towards the cost of entry into a Replacement Asset Swap Transaction and (ii) any related Asset Swap Replacement Receipts but only to the extent not required for application towards any related Asset Swap Termination Payments.

"**Unused Proceeds Account**" means an account described as such in the name of the Issuer held with the Account Bank.

"**U.S. Dollars**" or "**U.S.$**", means United States dollars, being the lawful currency of the United States of America.

"**U.S. Investment Restrictions**" means the restrictions set out in Schedule 10 of the Collateral Management Agreement.

"**U.S. Person**" means a "**U.S. person**" as such term is defined under Regulation S.

"**VAT**" means any tax imposed in conformity with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) and any other tax of a similar fiscal nature substituted for, or levied in addition to such tax whether in the European Union or elsewhere in any jurisdiction together with any interest and penalties thereon.

"**Warehouse Arrangements**" means the financing arrangement entered into by the Issuer prior to the Issue Date to finance the acquisition of Collateral Debt Obligations prior to the Issue Date.

"**Weighted Average Life**" has the meaning given to it in the Collateral Management Agreement.

"**Weighted Average Life Test**" has the meaning given to it in the Collateral Management Agreement.

"**Written Resolution**" means any Resolution of the Noteholders of the relevant Class in writing, as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**Yield Adjusted Collateral Debt Obligation**" means any Collateral Debt Obligation (other than a Discount Obligation) irrevocably designated by the Collateral Manager at settlement in writing to the Trustee, the Collateral Administrator and the Issuer as a Yield Adjusted Collateral Debt Obligation; provided that (i) it is acquired by the Issuer for a purchase price of less than 100 per cent. of the Principal Balance of such Collateral Debt Obligation; (ii) each of the Collateral Quality Tests, the Interest Coverage Tests and the Portfolio Profile Tests are satisfied on a *pro forma* basis after such designation; and (iii) the cumulative aggregate Principal Balance of all Yield Adjusted Collateral Debt Obligations so designated by the Collateral Manager since the Issue Date does not exceed 5 per cent. of the Target Par Amount. Each such election shall be effective on each subsequent Measurement Date or other date of determination.

"**Zero Coupon Obligation**" means any Collateral Debt Obligation the terms of which provide for repayment of a stated principal amount at a stated maturity date but which do not provide for periodic payments of interest in cash at any time while such security is outstanding.

2. Form and Denomination, Title, Transfer and Exchange

(a) Form and Denomination

The Notes of each Class will be issued in definitive, certificated, fully registered form, without interest coupons, talons and principal receipts attached, in the applicable Minimum Denomination and integral multiples of any Authorised Integral Amount in excess thereof. A Definitive Certificate will be issued to each Noteholder in respect of its registered holding of Notes. Each Definitive Certificate will be numbered serially with an identifying number which will be recorded in the Register which the Issuer shall procure to be kept by the Registrar. The Register shall at all times be kept and maintained outside the United Kingdom and no copy of the entire Register shall be created, kept or maintained in the United Kingdom.

(b) Title to the Registered Notes

Title to the Notes passes upon registration of transfers in the Register in accordance with the provisions of the Agency Agreement and the Trust Deed. Notes will be transferable only on the books of the Issuer and its agents. The registered holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it

is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

(c) Transfer

One or more Notes may be transferred in whole or in part in nominal amounts of the applicable Authorised Denomination only upon the surrender, at the specified office of the Registrar or any Transfer Agent of the Definitive Certificate representing such Note(s) to be transferred, with the form of transfer endorsed on such Definitive Certificate duly completed and executed and together with such other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Notes represented by one Definitive Certificate, a new Definitive Certificate will be issued to the transferee in respect of the part transferred and a further new Definitive Certificate in respect of the balance of the holding not transferred will be issued to the transferor.

(d) Delivery of New Certificates

Each new Definitive Certificate to be issued pursuant to Condition 2(c) (*Transfer*) will be available for delivery within five Business Days of receipt of such form of transfer or of surrender of an existing certificate upon partial redemption. Delivery of new Definitive Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar, as the case may be, to whom delivery or surrender shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer or otherwise in writing, shall be mailed by pre-paid first class post, at the risk of the holder entitled to the new Definitive Certificate, to such address as may be so specified. In this Condition 2(d) (*Delivery of New Certificates*), "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified offices of the Transfer Agent and the Registrar.

(e) Transfer Free of Charge

Transfer of Notes and Definitive Certificates representing such Notes in accordance with these Conditions on registration or transfer will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(f) Closed Periods

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 calendar days ending on the due date for redemption (in full) of that Note or (ii) during the period of seven calendar days ending on (and including) any Record Date.

(g) Regulations Concerning Transfer and Registration

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes scheduled to the Trust Deed, including without limitation, that a transfer of Notes in breach of certain of such regulations will result in such transfer being void *ab initio*. The regulations may be changed by the Issuer in any manner which is reasonably required by the Issuer (after consultation with the Trustee) to reflect changes in legal or regulatory requirements or in any other manner which, in the opinion of the Issuer (subject to not less than 60 days' notice of any such change having been given to the Noteholders in accordance with Condition 16 (*Notices*)), is not prejudicial to the interests of the holders of the relevant Class of Notes. A copy of the current regulations may be inspected at the offices of any Transfer Agent during usual business hours on any weekday

(Saturdays, Sundays and public holidays excepted) for the term of the Notes and will be sent by the Registrar to any Noteholder who so requests.

(h) Forced Transfer of Rule 144A Notes

If the Issuer determines at any time that a holder of Rule 144A Notes (1) is a U.S. Person and (2) is not a QIB/QP (any such person, a "**Non-Permitted Holder**"), the Issuer may promptly after determination that such person is a Non-Permitted Holder by the Issuer or a Transfer Agent (and notice by such Transfer Agent to the Issuer, if such Transfer Agent makes the determination), send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its Notes outside the United States to a non-U.S. Person or within the United States to a U.S. Person that is a QIB/QP within 30 days of the date of such notice. If such Non-Permitted Holder fails to effect the transfer within such 30 day period, (a) upon direction from the Issuer or the Collateral Manager on its behalf, a Transfer Agent, on behalf of and at the expense of the Issuer, shall cause such Notes to be transferred in a sale to a person or entity that certifies to the Issuer and such Transfer Agent, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and (b) pending such transfer, no further payments will be made in respect of such beneficial interest. The Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Notes and selling such Notes to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion. Each Noteholder and each other person in the chain of title to the Non-Permitted 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 selling Noteholder. The terms and conditions of any sale hereunder shall be determined in the sole discretion of the Issuer, subject to the transfer restrictions set out herein, and the Issuer shall not be liable to any person having an interest in the Notes sold as a result of any such sale or the exercise of such discretion. The Issuer reserves the right to require any holder of Notes to submit a written certification substantiating that it is a QIB/QP or a non-U.S. Person. If such holder fails to submit any such requested written certification on a timely basis, the Issuer has the right to assume that the holder of the Notes from whom such a certification is requested is not a QIB/QP or a non-U.S. Person. Furthermore, the Issuer reserves the right to refuse to honour a transfer of beneficial interests in a Rule 144A Note to any Person who is not either a non-U.S. Person or a U.S. Person that is a QIB/QP.

(i) Forced sale pursuant to FATCA

Each Noteholder (which, for the purposes of this Condition 2(i) (*Forced sale pursuant to FATCA*), may include a nominee or beneficial owner of a Note) will agree to provide the Issuer and its agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA and to prevent the imposition of tax under FATCA on payments to or for the benefit of the Issuer. If a Noteholder fails to provide such information or documentation, or to the extent that its ownership of Notes would otherwise cause the Issuer to be subject to any tax under FATCA, (A) the Issuer or its agents are authorised to withhold amounts otherwise distributable to the purchaser as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel the Noteholder to sell its Notes and, if such Noteholder does not sell its Notes within 10 Business Days after notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any taxes incurred by the Issuer in connection with such sale) to such Noteholder as payment in full for such Notes. The Issuer may also assign each such Note a separate ISIN or other securities identifier in the Issuer's sole discretion. Each Noteholder will be required to agree that the Issuer, the Trustee or their

agents or representatives may (1) provide any information and documentation concerning its investment in Notes to the Office of the Revenue Commissioners of Ireland, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA.

(j) Forced Transfer pursuant to ERISA

If any Noteholder is determined by the Issuer to be a Noteholder who has made or is deemed to have made a prohibited transaction, Benefit Plan Investor, Controlling Person, Other Plan Law or Similar Law representation that is subsequently shown to be false or misleading, or whose beneficial ownership otherwise causes a violation of the 25 per cent. limitation set out in Title I of ERISA and Section 4975 of the Code (any such Noteholder a "**Non-Permitted ERISA Holder**"), the Non-Permitted ERISA Holder may be required by the Issuer to sell or otherwise transfer its Notes to an eligible purchaser (selected by the Issuer) at a price to be agreed between the Issuer (exercising its sole discretion) and such eligible purchaser at the time of sale, subject to the transfer restrictions set out in the Trust Deed. Each Noteholder and each other Person in the chain of title from the Noteholder, by its acceptance of an interest in such Notes, agrees to cooperate with the Issuer, to the extent required to effect such transfers. None of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses and costs incurred and any loss suffered by the Issuer as a result of such forced transfer. The Non-Permitted ERISA Holder will receive the balance, if any.

(k) Contributions

At any time during or after the Reinvestment Period, any Noteholder may (i) make a contribution of cash or (ii) if it is a Subordinated Noteholder, by notice in writing to the Issuer, the Trustee, the Collateral Administrator, the Collateral Manager, designate any portion of Interest Proceeds or Principal Proceeds that would otherwise be distributed on its Notes in accordance with the Priorities of Payments, to the Issuer (each, a "**Contribution**" and each such Noteholder, a "**Contributor**"). The Collateral Manager, on behalf of the Issuer, may accept or reject any Contribution in its discretion. If a Contribution is accepted, it will be received into the Contributions Account and applied by the Collateral Manager on behalf of the Issuer as directed by the Contributor at the time such Contribution is made (or, if no direction is given by the Contributor, at the Collateral Manager's discretion) in accordance with Condition 3(j)(viii) (*Contributions Account*). No Contribution or portion thereof will be returned to the Contributor at any time other than by operation of the Priorities of Payments.

(l) Exchange of Voting/Non-Voting Notes

The Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes may be in the form of a CM Voting Note, a CM Non-Voting Exchangeable Note or a CM Non-Voting Note.

CM Voting Notes shall carry a right to vote in respect of, and be counted for the purposes of determining a quorum and the result of voting on, any CM Replacement Resolution and any CM Removal Resolution and shall carry a right to vote on and be counted in respect of all other matters in respect of which the Notes have a right to vote and be counted. CM Non-Voting Exchangeable Notes and CM Non-Voting Notes shall not carry any rights in respect of, or be counted for the purposes of determining a quorum and the result of voting on, any CM Removal Resolution or any CM Replacement Resolution but shall carry a right to vote on and be counted in respect of all other matters in respect of which the Notes have a right to vote and be counted.

CM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into CM Non-Voting Exchangeable Notes or CM Non-Voting Notes. CM Non-Voting

Exchangeable Notes shall be exchangeable (a) upon request by the relevant Noteholder at any time into CM Non-Voting Notes or (b) into CM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor upon request of the relevant transferee or transferor and in no other circumstance. CM Non-Voting Notes shall not be exchangeable at any time into CM Voting Notes or CM Non-Voting Exchangeable Notes.

Any such right to exchange a Note, as described and subject to the limitations set out in the immediately prior paragraph, may be exercised by a Noteholder holding a Definitive Certificate or a beneficial interest in a Global Certificate delivering to the Registrar a duly completed exchange request substantially in the form provided in the Trust Deed, or in such other form as the Trustee, upon the advice of counsel, may deem substantially similar in legal effect (in each case, copies of which are provided to the Trustee as applicable) given by the proposed transferee.

Any Class A Notes, Class B Notes, Class C Notes or Class D Notes held by or on behalf of the Collateral Manager or its Affiliates at any time may only be held in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes

3. Status

(a) Status

The Notes of each Class constitute direct, general, secured, unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 4(c) (*Limited Recourse and Non-Petition*). The Notes of each Class are secured in the manner described in Condition 4(a) (*Security*) and, within each Class, shall at all times rank *pari passu* and without any preference amongst themselves.

(b) Relationship Among the Classes

The Notes of each Class are constituted by the Trust Deed and are secured on the Collateral as further described in the Trust Deed. Payments of interest on the Class A Notes will rank senior to payments of interest on each Payment Date in respect of each other Class; payment of interest on the Class B Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes, but senior in right of payment to payments of interest in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class C Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes and the Class B Notes, but senior in right of payment to payments of interest on the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class D Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes, the Class B Notes and the Class C Notes, but senior in right of payment to payments of interest on the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class E Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, but senior in right of payment to payments of interest on the Class F Notes and the Subordinated Notes; payment of interest on the Class F Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, but senior in right of payment to payments of interest on the Subordinated Notes. Payment of interest on the Subordinated Notes will be subordinated in right of payment to payment of interest in respect of the Rated Notes. Interest on the Subordinated Notes shall be paid *pari passu* and without any preference amongst themselves. Interest on the Class A-1 Notes and the Class A-2 Notes shall be paid *pro rata* and *pari passu* and without any preference amongst themselves. Interest on the Class B-1

Notes and the Class B-2 Notes shall be paid *pro rata* and *pari passu* and without any preference amongst themselves.

No amount of principal in respect of the Class B Notes shall become due and payable until redemption and payment in full of the Class A Notes. No amount of principal in respect of the Class C Notes shall become due and payable until redemption and payment in full of the Class A Notes and the Class B Notes. No amount of principal in respect of the Class D Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes. No amount of principal in respect of the Class E Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. No amount of principal in respect of the Class F Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. Subject to the applicability of the Post-Acceleration Priority of Payments, the Subordinated Notes will be entitled to receive, out of Principal Proceeds, the amounts described under the Principal Proceeds Priority of Payments on a *pari passu* basis. Payments on the Subordinated Notes are subordinated to payments on the Rated Notes and other amounts described in the Priorities of Payments and no payments out of Principal Proceeds will be made on the Subordinated Notes until the Rated Notes and other payments ranking prior to the Subordinated Notes in accordance with the Priorities of Payments are paid in full. Principal on the Class A-1 Notes and the Class A-2 Notes shall be paid *pro rata* and *pari passu* and without any preference amongst themselves. Principal on the Class B-1 Notes and the Class B-2 Notes shall be paid *pro rata* and *pari passu* and without any preference amongst themselves.

Collateral Enhancement Debt Obligation Proceeds and Collateral Manager Advances may, at the discretion of the Collateral Manager, be applied to make distributions to the Subordinated Noteholders without regard to the Note Payment Sequence in accordance with Condition 3(k)(vi) (*Collateral Enhancement Account*), respectively.

(c) Priorities of Payments

The Collateral Administrator shall (on the basis of the Payment Date Report prepared by the Collateral Administrator in consultation with the Collateral Manager pursuant to the terms of the Collateral Management Agreement on each Determination Date), on behalf of the Issuer (i) on each Payment Date prior to the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*); (ii) following the acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*), which, if such acceleration is by way of the delivery of an Acceleration Notice (actual or deemed), such Acceleration Notice has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*); and (iii) other than in connection with an optional redemption in whole under Condition 7(b) (*Optional Redemption*) or in accordance with Condition 7(g) (*Redemption following Note Tax Event*) (in which event the Post-Acceleration Priority of Payments shall apply to Interest Proceeds and Principal Proceeds), cause the Account Bank to disburse Interest Proceeds and Principal Proceeds transferred to the Payment Account, in each case, in accordance with the following Priorities of Payments:

(i) Application of Interest Proceeds

Subject as further provided below, Interest Proceeds as determined on the basis of the relevant Payment Date Report as described in the paragraph above shall be paid on the Payment Date immediately following the related Due Period in the following order of priority:

(A) to the payment of: (i) firstly taxes owing by the Issuer accrued in respect of the related, or any earlier Due Period (other than Irish corporate income tax payable in

relation to the amounts equal to the minimum profit referred to in (ii) below), as certified by an Authorised Officer of the Issuer to the Collateral Administrator and the Trustee, if any (save for any VAT payable in respect of any Collateral Management Fee or any other tax payable in relation to any other amount payable to the Secured Parties or to any other party in accordance with the Priorities of Payments); and (ii) secondly the Issuer Profit Amount to be retained by the Issuer, for deposit into the Issuer Irish Account from time to time;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period, *provided that*, following the occurrence of an Event of Default which is continuing, the Senior Expenses Cap shall not apply in respect of this paragraph;

(C) to the payment of accrued and unpaid Administrative Expenses in respect of such Due Period in the priority stated in the definition thereof, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to item (B) above, *provided that*, following the occurrence of an Event of Default which is continuing the Senior Expenses Cap shall not apply in respect of this paragraph;

(D) to the Expense Reserve Account, of an amount equal to the Ongoing Expense Reserve Amount;

(E) to the payment:

(1) *firstly*, on a *pro rata* and *pari passu* basis to the Collateral Manager of the Senior Collateral Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority) (save for any Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts) except that the Collateral Manager may, in its sole discretion, elect to:

(x) irrevocably waive;

(y) designate for reinvestment in Collateral Debt Obligations or the purchase of Rated Notes; or

(z) defer payment of some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (E) (any such amount pursuant to this paragraph (z), being a "**Deferred Senior Collateral Management Amount**") on any Payment Date,

provided that any such amount:

(A) in the case of (y) shall:

(a) (i) be used to purchase Substitute Collateral Debt Obligations or to purchase Rated Notes in accordance with Condition 7(k) (*Purchase*) or (ii) be deposited in the Principal Account pending reinvestment in Substitute Collateral Debt Obligations; and

(b) not be treated as unpaid for the purposes of this paragraph (E) or paragraph (W) below; or

(B) in the case of (x) or (z), shall be applied to the payment of amounts in accordance with paragraphs (F) through (V) and (X) through (BB)

below, subject to the Collateral Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied; and

(2) secondly, to the Collateral Manager, any previously due and unpaid Senior Collateral Management Fees (other than Deferred Senior Collateral Management Amounts) including any interest accrued thereon and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority),

(F) to the payment on a *pro rata* and *pari passu* basis, of any Scheduled Periodic Interest Rate Hedge Issuer Payments (to the extent not paid or provided for out of the Interest Account), Scheduled Periodic Asset Swap Issuer Payments (to the extent not paid or provided for out of the relevant Non-Euro Hedge Account) and Hedge Termination Payments (other than Defaulted Hedge Termination Payments) (to the extent not paid out of the Hedge Termination Account);

(G) to the payment on a *pro rata* and *pari passu* basis of all Interest Amounts due and payable on the Class A Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on such Class A Notes;

(H) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts due and payable on the Class B Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on such Class B Notes;

(I) if either of the Class A/B Coverage Tests is not satisfied on any Determination Date on and after the Effective Date, or in the case of the Class A/B Interest Coverage Test, on the Determination Date preceding the second Payment Date and each Determination Date thereafter, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class A/B Coverage Test to be satisfied (if applicable) if recalculated immediately following such redemption on a pro forma basis after giving effect to all payments pursuant to this paragraph (I);

(J) to the payment on a *pro rata* basis of the Interest Amounts due and payable on the Class C Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(K) to the payment on a *pro rata* basis of any Deferred Interest on the Class C Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(L) if either of the Class C Coverage Tests is not satisfied on any Determination Date on and after the Effective Date, or in the case of the Class C Interest Coverage Test, on the Determination Date preceding the second Payment Date and each Determination Date thereafter, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class C Coverage Test (if applicable) to be met if recalculated immediately following such redemption on a pro forma basis after giving effect to all payments pursuant to this paragraph (L);

(M) to the payment on a *pro rata* basis of the Interest Amounts due and payable on the Class D Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(N) to the payment on a *pro rata* basis of any Deferred Interest on the Class D Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(O) if either of the Class D Coverage Tests is not satisfied on any Determination Date on and after the Effective Date, or in the case of the Class D Interest Coverage Test, on the Determination Date preceding the second Payment Date and each Determination Date thereafter, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class D Coverage Test (if applicable) to be met if recalculated immediately following such redemption on a pro forma basis after giving effect to all payments in priority to this paragraph (O);

(P) to the payment on a *pro rata* basis of the Interest Amounts due and payable on the Class E Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(Q) to the payment on a *pro rata* basis of any Deferred Interest on the Class E Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(R) if either of the Class E Coverage Tests are not satisfied on any Determination Date on and after the Effective Date, or in the case of the Class E Interest Coverage Test, on the Determination Date preceding the second Payment Date and each Determination Date thereafter, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class E Coverage Test (if applicable) to be met if recalculated immediately following such redemption on a pro forma basis after giving effect to all payments in priority to this paragraph (R);

(S) to the payment on a *pro rata* basis of the Interest Amounts due and payable on the Class F Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(T) to the payment on a *pro rata* basis of any Deferred Interest on the Class F Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(U) on the Payment Date following the Effective Date and each Payment Date thereafter to the extent required, in the event of the occurrence of an Effective Date Rating Event which is continuing on the Business Day prior to such Payment Date, at the discretion of the Collateral Manager, to (x) the purchase of the Collateral Debt Obligations or to the Principal Account pending reinvestment in Collateral Debt Obligations at a later date in accordance with the Collateral Management Agreement only until an Effective Date Rating Event is no longer continuing or (y) redeem the Notes in full in accordance with the Note Payment Sequence until an Effective Date Rating Event is no longer continuing;

(V) if, on any Payment Date, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (U) (inclusive) above, the Interest Diversion Test has not been met, to the payment to the Principal Account as Principal Proceeds:

(1) during the Reinvestment Period in an amount (such amount the "**Reinvestment Period Required Diversion Amount**") equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment and (2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (U) (inclusive) above, would be sufficient to cause the Interest Diversion Test to be met, for the acquisition of additional Collateral Debt Obligations (or, if the Collateral Manager determines that it is unable to identify such additional Collateral Debt Obligations that it considers appropriate for such

reinvestment, in redemption by way of Special Redemption of the Rated Notes in accordance with the Note Payment Sequence), and

(2) following the Reinvestment Period, in redemption by way of Special Redemption of the Rated Notes in accordance with the Note Payment Sequence, in an amount (such amount, the "**Post-Reinvestment Period Required Diversion Amount**") equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment and (2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (U) (inclusive) above, would be sufficient to cause the Interest Diversion Test to be met;

(W)to the payment:

(1) *firstly*, to the Collateral Manager of the Subordinated Collateral Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority) (save for any Deferred Subordinated Collateral Management Amounts) until such amount has been paid in full except that the Collateral Manager may, in its sole discretion, elect to:

(x) irrevocably waive;

(y) designate for reinvestment in Collateral Debt Obligations or the purchase of Rated Notes; or

(z) defer payment of some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (W) (any such amounts pursuant to this paragraph (z), being "**Deferred Subordinated Collateral Management Amounts**") on any Payment Date,

provided that any such amount:

(A) in the case of (y) shall:

(a) (i) be used to purchase Substitute Collateral Debt Obligations or to purchase Rated Notes in accordance with Condition 7(k) (*Purchase*) or (ii) be deposited in the Principal Account pending reinvestment in Substitute Collateral Debt Obligations or the purchase of Rated Notes in accordance with Condition 7(k) (*Purchase*); and

(b) not be treated as unpaid for the purposes of paragraph (E) above or this paragraph (W); or

(B) in the case of (x) or (z), shall be applied to the payment of amounts in accordance with paragraphs (X) through (BB) below, subject to the Collateral Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied;

(2) *secondly*, to the Collateral Manager of any previously due and unpaid Subordinated Collateral Management Fee (other than Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts) including any interest accrued thereon and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority);

(3) *thirdly*, at the election of the Collateral Manager (at its sole discretion) to the Collateral Manager in payment of any previously Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts including, in each case, any interest accrued thereon and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(4) *fourthly*, to the repayment of any Collateral Manager Advances and any interest thereon;

(X) to the payment of Trustee Fees and Expenses (if any) not paid by reason of the Senior Expenses Cap;

(Y) to the payment of Administrative Expenses (if any) in relation to each item thereof in the order of priority stated in the definition thereof not paid by reason of the Senior Expenses Cap;

(Z) to the payment on a *pro rata* and *pari passu* basis of any Defaulted Hedge Termination Payments due to any Hedge Counterparty;

(AA) at the direction and in the discretion of the Collateral Manager, to transfer to the Collateral Enhancement Account, any Collateral Enhancement Amounts;

(BB) (1) if the Incentive Collateral Management Fee IRR Threshold has not been reached, any remaining Interest Proceeds to the payment of interest on the Subordinated Notes on a *pro rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Incentive Collateral Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date in accordance with the Interest Proceeds Priority of Payments, the Principal Proceeds Priority of Payments, the Incentive Collateral Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) *firstly*, 20 per cent. of any remaining Interest Proceeds, to the payment to the Collateral Manager as an Incentive Collateral Management Fee *provided however that* the Collateral Manager may, in its sole discretion, elect to:

(x) irrevocably waive; or

(y) designate for reinvestment some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (BB) on any Payment Date,

and apply such amount to:

(A) in the case of (y), (i) be used to purchase additional Collateral Debt Obligations and/or (ii) be deposited in the Principal Account pending reinvestment in additional Collateral Debt Obligations; or

(B) in the case of (x), be applied to the payment of amounts in accordance with this paragraph (BB), subject in each case to the Collateral Manager having notified the Collateral Administrator in

writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied;

(b) *secondly*, any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant tax authority); and

(c) *thirdly*, any remaining Interest Proceeds, to the payment of interest on the Subordinated Notes on a *pro rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

For the avoidance of doubt, any Collateral Management Fees which are deferred, waived, designated for reinvestment or the purchase of Rated Notes pursuant to any of the paragraphs above shall not be treated as due and payable pursuant to such paragraphs.

Notwithstanding anything to the contrary described above, on any Redemption Date that is not a scheduled Payment Date in relation to a redemption of the Notes in accordance with Condition 7(b) (Optional Redemption), (x) the Issuer (at the direction of the Collateral Manager) will reserve from Interest Proceeds standing to the credit of the Interest Account only, with respect to (i) paragraphs (A) through (F) (inclusive) above, amounts accrued from each such paragraph and (ii) to the extent applicable, each Class of Notes senior to a Class of Notes being redeemed on such Redemption Date, an amount equal to the amount of interest accrued on such Class of Notes (including Deferred Interest and interest on Deferred Interest), in each case, as of such Redemption Date (and such amounts will not be paid on such Redemption Date) and (y) after reserving for such amounts, Interest Proceeds may be applied to pay accrued interest on any redeemed Class of Notes and then to pay for any Refinancing Costs, in each case on such Redemption Date. For the avoidance of doubt, only amounts payable in respect of (y) above shall be distributed on the Redemption Date and all other amounts of Interest Proceeds (and all amounts of Principal Proceeds, other than as expressly provided pursuant to Condition 3(k)(i) (*Principal Account*)) shall be retained in the relevant Account pending distribution on the next scheduled Payment Date or as otherwise provided for in the Conditions.

(ii) Application of Principal Proceeds

Principal Proceeds as determined on the basis of the relevant Payment Date Report as described in the first paragraph of Condition 3(c) (*Priorities of Payments)* shall be paid on the Payment Date immediately following the related Due Period in the following order of priority:

(A) to the payment on a sequential basis of the amounts referred to in paragraphs (A) through (I) (inclusive) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(B) to the payment of the amounts referred to in paragraph (J) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes and the Class B Notes have been redeemed in full;

(C) to the payment of the amounts referred to in paragraph (K) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes and the Class B Notes have been redeemed in full;

(D) to the payment of the amounts referred to in paragraph (L) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class C Coverage Tests that are applicable on such Payment Date with respect to the Class C Notes to be met as of the related Determination Date;

(E) to the payment of the amounts referred to in paragraph (M) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes, the Class B Notes and the Class C Notes have been redeemed in full;

(F) to the payment of the amounts referred to in paragraph (N) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes, the Class B Notes and the Class C Notes have been redeemed in full;

(G) to the payment of the amounts referred to in paragraph (O) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class D Coverage Tests that are applicable on such Payment Date with respect to the Class D Notes to be met as of the related Determination Date;

(H) to the payment of the amounts referred to in paragraph (P) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes have been redeemed in full;

(I) to the payment of the amounts referred to in paragraph (Q) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes have been redeemed in full;

(J) to the payment of the amounts referred to in paragraph (R) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class E Coverage Tests that are applicable on such Payment Date with respect to the Class E Notes to be met as of the related Determination Date;

(K) to the payment of the amounts referred to in paragraph (S) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes have been redeemed in full;

(L) to the payment of the amounts referred to in paragraph (T) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes have been redeemed in full;

(M) to the payment of the amounts referred to in paragraph (U) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(N) if such Payment Date is a Special Redemption Date, at the election of the Collateral Manager, to make payments in an amount equal to the Special Redemption Amount (if any) applicable to such Payment Date in accordance with the Note Payment Sequence;

(O) during the Reinvestment Period, at the discretion of the Collateral Manager to the purchase of Substitute Collateral Debt Obligations or to the Principal Account pending reinvestment in Substitute Collateral Debt Obligations at a later date in each case subject to and in accordance with the Collateral Management Agreement;

(P) after the Reinvestment Period in the case of Principal Proceeds representing Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Improved Obligations and Credit Impaired Obligations at the discretion of the Collateral Manager, either to the purchase of Substitute Collateral Debt Obligations or to the Principal Account pending reinvestment in Substitute Collateral Debt Obligations at a later date in each case subject to and in accordance with the Collateral Management Agreement;

(Q) after the Reinvestment Period, to redeem the Notes in accordance with the Note Payment Sequence;

(R) to the payment on a sequential basis of the amounts referred to in paragraphs (W) through (AA) (inclusive) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder; and

(S) (1) if the Incentive Collateral Management Fee IRR Threshold has not been reached, any remaining Principal Proceeds to the payment on the Subordinated Notes on a *pro rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes and immediately prior to such redemption), until the Incentive Collateral Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including in accordance with the Interest Proceeds Priority of Payments and the Principal Proceeds Priority of Payments, the Incentive Collateral Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) *firstly*, 20 per cent. of any remaining Principal Proceeds, to the payment to the Collateral Manager as an Incentive Collateral Management Fee, *provided however that* the Collateral Manager may, in its sole discretion, elect to (x) irrevocably waive or (y) designate for reinvestment some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (S) on any Payment Date and apply such amount to, in the case of (y), (i) be used to purchase additional Collateral Debt Obligations or (ii) be deposited in the Principal Account pending reinvestment in additional Collateral Debt Obligations or, in the case of (x), be subject in each case to the Collateral Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied;

(b) *secondly*, any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant tax authority); and

(c) *thirdly*, any remaining Principal Proceeds, to the payment of principal on the Subordinated Notes on a *pro rata* basis and thereafter to the payment of interest on a *pro rata* basis on the Subordinated Notes (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to

the Principal Amount Outstanding of the Subordinated Notes and immediately prior to such redemption).

For the avoidance of doubt:

(i) any Incentive Collateral Management Fees which are deferred, waived, designated for reinvestment or the purchase of Rated Notes pursuant to paragraph (S) above shall not be treated as due and payable pursuant to such paragraph; and

(ii) the amount of any Contributions made by any Contributor and credited to the Contributions Account in accordance with Condition 2(k) (Contributions) shall for the purposes of Condition 10 (Events of Default) be deemed (1) to have been paid in accordance with the Priorities of Payments, and (2) not to be outstanding.

(d) Withholding Taxes, VAT and other Taxes on Payments

Subject to the specific provision that is made pursuant to paragraphs (A) and (BB)(2) of the Interest Proceeds Priority of Payments and paragraph (S)(2) of the Principal Proceeds Priority of Payments, where the payment of any amount in accordance with the Priorities of Payments set out above is subject to any deduction or withholding for or on account of any tax or any other tax is payable by or on behalf of the Issuer relating to any such amount, payment of the amounts so deducted or withheld or of the tax so due shall be made to the relevant taxing authority *pari passu* with and, so far as possible, at the same time as the payment of the amount in respect of which the relevant deduction or withholding or other liability to tax has arisen.

(e) Non-payment of Interest Amounts

Failure on the part of the Issuer to pay the Interest Amounts due and payable on any Class of Notes pursuant to Condition 6 (*Interest*) and the Priorities of Payments shall not be a Note Event of Default unless and until:

(i) such failure is in respect of any non-payment of interest due and payable on the Class A Notes and/or the Class B Notes; or

(ii) such failure is in respect of any non-payment of interest due and payable on (i) the Class C Notes, if such Class of Notes is the Controlling Class; (ii) the Class D Notes, if such Class of Notes is the Controlling Class; (iii) the Class E Notes, if such Class of Notes is the Controlling Class; and (iv) the Class F Notes, if such Class of Notes is the Controlling Class,

and in each case such failure continues for a period of at least five Business Days save in the case of administrative error or omission only, where such failure continues for a period of at least seven Business Days after the Issuer, Collateral Administrator and/or Principal Paying Agent receive written notice or have actual knowledge thereof, *provided that* no Note Event of Default shall occur in respect of the above as the result of:

(A) the failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions or, in the case of an Optional Redemption, with respect to which a Refinancing fails; and/or

(B) any deduction from such Interest Amounts or the imposition of any withholding tax thereon as set out in Condition 9 (*Taxation*).

Subject always, in the case of Interest Amounts payable in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes to Condition 6(c) (*Deferral of Interest*) and save as otherwise provided in respect of any unpaid Collateral Management Fees (and VAT payable in respect thereof), in the event of non-payment of any amounts referred to in the Interest Proceeds Priority of Payments or the Principal Proceeds Priority of Payments on any Payment Date such amounts shall remain due and shall be payable on each subsequent Payment Date in the orders of priority provided for in this Condition 3 (*Status*). References to the amounts referred to in the Interest Proceeds Priority of Payments and the Principal Proceeds Priority of Payments of this Condition 3 (*Status*) shall include any amounts thereof not paid when due in accordance with this Condition 3 (*Status*) on any preceding Payment Date.

(f) Determination and Payment of Amounts

The Collateral Administrator will, in consultation with the Collateral Manager, on each Determination Date, calculate the amounts payable on the applicable Payment Date pursuant to the Priorities of Payments and will notify the Issuer and the Trustee of such amounts. The Account Bank (acting in accordance with the Payment Date Report compiled by the Collateral Administrator on behalf of the Issuer) shall, on behalf of the Issuer not later than 12.00 noon (London time) on the Business Day preceding each Payment Date, cause the amounts standing to the credit of the Principal Account, the Unused Proceeds Account and if applicable the Interest Account, the Expense Reserve Account and the Collateral Enhancement Account (together with, to the extent applicable, amounts standing to the credit of any other Account) to the extent required to pay the amounts referred to in the Interest Proceeds Priority of Payments, the Principal Proceeds Priority of Payments, and the Post-Acceleration Priority of Payments which are payable on such Payment Date, to be transferred to the Payment Account in accordance with Condition 3(k) (*Payments to and from the Accounts*).

(g) De Minimis Amounts

The Collateral Administrator may, in consultation with the Collateral Manager, adjust the amounts required to be applied in payment of principal on any Class of Notes from time to time pursuant to the Priorities of Payments so that the amount to be so applied in respect of each such Note is a whole amount, not involving any fraction of a Euro cent or, at the discretion of the Collateral Administrator, any fraction of a Euro.

(h) Publication of Amounts

The Collateral Administrator will, on behalf of and at the expense of the Issuer, cause details of the amounts of interest and principal to be paid, and any amounts of interest payable but not paid, on each Payment Date in respect of the Notes to be notified at the expense of the Issuer to the Issuer, the Trustee, the Principal Paying Agent, the Registrar and the Irish Stock Exchange by no later than 11.00 a.m. (London time) on the Business Day following the applicable Payment Date and the Registrar shall procure that details of such amounts are notified at the expense of the Issuer to the Noteholders of each Class in accordance with Condition 16 (*Notices*) as soon as possible after notification thereof to the Registrar in accordance with the above but in no event later than (to the extent applicable) the third Business Day after the last day of the applicable Due Period.

(i) Notifications to be Final

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained or discretions exercised for the purposes of the provisions of this Condition 3 (*Status*) will (in the absence of fraud, negligence, wilful default or manifest error) be binding on the Issuer, the Collateral Administrator, the Collateral Manager, the Trustee,

the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and (in the absence of fraud, negligence or wilful default of the Collateral Administrator) no liability to the Issuer or the Noteholders shall attach to the Collateral Administrator in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition 3 (*Status*).

(j) Accounts

The Issuer shall, on or prior to the Issue Date (or, in respect of a Counterparty Downgrade Collateral Account, on or about the date of entry by the Issuer into a Hedge Agreement with a new Hedge Counterparty), establish the following accounts with the Account Bank or (as the case may be) with the Custodian:

(i) the Principal Account;

(ii) the Interest Account;

(iii) the Unused Proceeds Account;

(iv) the Payment Account;

(v) each Counterparty Downgrade Collateral Account;

(vi) the Collateral Enhancement Account;

(vii) the Unfunded Revolver Reserve Account;

(viii) the Contributions Account;

(ix) the Hedge Termination Account(s);

(x) the Non-Euro Hedge Account(s);

(xi) the Expense Reserve Account;

(xii) the Collection Account;

(xiii) the Interest Reserve Account;

(xiv) the Interest Smoothing Account; and

(xv) the Custody Account.

The Account Bank and the Custodian shall at all times be a financial institution meeting the Rating Requirement applicable thereto, which has the necessary regulatory capacity and licences to perform the services required by it. If the Account Bank or the Custodian at any time fails to satisfy the Rating Requirement, the Issuer shall use reasonable endeavours to procure that a replacement Account Bank or Custodian, as applicable, acceptable to the Trustee, which satisfies the Rating Requirement is appointed in accordance with the provisions of the Agency Agreement.

Amounts standing to the credit of the Accounts (other than the Unfunded Revolver Reserve Account, each Counterparty Downgrade Collateral Account, the Payment Account and the Collection Account) from time to time may be invested by the Collateral Manager on behalf of the Issuer in Eligible Investments.

All interest accrued on any of the Accounts (save for each Counterparty Downgrade Collateral Account) from time to time shall be paid into the Interest Account, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All principal

amounts received in respect of Eligible Investments standing to the credit of any Account from time to time shall be credited to that Account upon maturity, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All interest accrued on such Eligible Investments (including capitalised interest received upon the sale, maturity or termination of any such investment) shall be paid to the Interest Account as, and to the extent provided, above.

Save for each Counterparty Downgrade Collateral Account and any Non-Euro Hedge Accounts, to the extent that any amounts required to be paid into any Account pursuant to the provisions of this Condition 3 (*Status*) are denominated in a currency other than Euro, the Collateral Manager, acting on behalf of the Issuer, may convert such amounts into the currency of the Account at the Spot Rate as determined by the Collateral Administrator at the direction of the Collateral Manager.

Notwithstanding any other provisions of this Condition 3(j) (*Accounts*), all amounts standing to the credit of each of the Accounts (other than (i) the Interest Account, (ii) the Payment Account, (iii) the Contributions Account, (iv) the Expense Reserve Account, (v) the Collateral Enhancement Account, (vi) all interest accrued on the Accounts, (vii) each Counterparty Downgrade Collateral Account and (viii) each Non-Euro Hedge Account) shall be transferred to the Payment Account and shall constitute Principal Proceeds on the Business Day prior to any redemption of the Notes in full; all amounts standing to the credit of each of the Interest Account, the Contributions Account, the Expense Reserve Account, the Interest Smoothing Account, the Collateral Enhancement Account and each Counterparty Downgrade Collateral Account, to the extent not required to be repaid to any Hedge Counterparty (or representing unpaid amounts under a terminated Hedge Transaction which constitute Principal Proceeds) shall be transferred to the Payment Account and shall constitute Interest Proceeds on the Business Day prior to the redemption of the Notes in full.

For the avoidance of doubt, application of amounts in respect of Swap Tax Credits received by the Issuer shall be paid out of the Interest Account to the relevant Hedge Counterparty in accordance with the terms of the relevant Hedge Agreement, without regard to the Priorities of Payments.

(k) Payments to and from the Accounts

(i) Principal Account

The Issuer will procure that the following Principal Proceeds are paid into the Principal Account promptly upon receipt thereof (save for those in respect of any Asset Swap Obligations) *provided that*, in the case of receipts on any Unhedged Collateral Debt Obligation, such amounts shall be converted into Euro at the Applicable Exchange Rate prior to such payment into the Principal Account:

(A) all principal payments received in respect of any Collateral Debt Obligation including, without limitation, save to the extent that they relate to Asset Swap Obligations;

(1) Scheduled Principal Proceeds, other than any Interest Rate Hedge Replacement Receipts or Interest Rate Hedge Termination Receipts;

(2) amounts received in respect of any maturity, scheduled amortisation, mandatory prepayment or mandatory sinking fund payment on a Collateral Debt Obligation;

(3) Unscheduled Principal Proceeds; and

(4) any other principal payments with respect to Collateral Debt Obligations or Eligible Investments (to the extent not included in the Sale Proceeds),

but excluding (i) any such payments received in respect of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, to the extent required to be paid into the Unfunded Revolver Reserve Account; (ii) principal proceeds in respect of any Non-Euro Obligation to the extent required to be paid into the Non-Euro Hedge Accounts; (iii) any such payments received in respect of any Hedge Replacement Receipts or Hedge Termination Payments to the extent required to be paid into the Hedge Termination Account; and (iv) principal proceeds received both before and after the Reinvestment Period in connection with the acceptance of an Offer where such Offer is by way of novation or substitution (for the avoidance of doubt, such proceeds will be reinvested automatically as consideration for the novated or substituted Collateral Debt Obligation, subject to the Restructured Obligation Criteria being satisfied);

(B) any Asset Swap Counterparty Principal Exchange Amount (other than any payments from an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction, which shall be paid into the relevant Non-Euro Hedge Account) received by the Issuer under any Asset Swap Transactions;

(C) the Balance standing to the credit of the relevant Hedge Termination Account in the circumstances described under Condition 3(k)(ix) (*Hedge Termination Account*) below;

(D) amounts received in respect of any Asset Swap Obligation which are not required to be paid to the applicable Asset Swap Counterparty, as the case may be, pursuant to the related Asset Swap Transaction but which are required, pursuant to the Collateral Management Agreement, to be paid into the Principal Account following conversion thereof into Euro at the Applicable Exchange Rate;

(E) all interest and other amounts received in respect of any Defaulted Obligation or any Mezzanine Obligation for so long as it is a Defaulted Obligation or a Defaulted Deferring Mezzanine Obligation (as applicable) (save for Defaulted Obligation Excess Amounts and Defaulted Mezzanine Excess Amounts) and amounts representing the element of deferred interest in any payments received in respect of any PIK Obligation;

(F) all premiums (including prepayment premiums) receivable upon redemption of any Collateral Debt Obligation at maturity or otherwise or upon exercise of any put or call option in respect thereof which is above the outstanding principal amount of any Collateral Debt Obligation;

(G) all fees and commissions received in connection with the purchase or sale of any Collateral Debt Obligations (including such fees received in relation to Corporate Rescue Loans) or Eligible Investments or work out or restructuring of any Defaulted Obligations or Collateral Debt Obligations as determined by the Collateral Manager in its discretion;

(H) all Sale Proceeds received in respect of a Collateral Debt Obligation;

(I) all Distributions and Sale Proceeds received in respect of Exchanged Security;

(J) all Collateral Enhancement Debt Obligation Proceeds;

(K) all Purchased Accrued Interest other than Purchased Accrued Interest which the Collateral Manager has designated in its sole discretion to be treated as Interest Proceeds pursuant to Condition 3(j)(ii)(T) (*Interest Account*);

(L) amounts transferred to the Principal Account from any other Account as required below;

(M) all proceeds received from any additional issuance of the Notes that are not invested in Collateral Debt Obligations or required to be paid into the Interest Account;

(N) any other amounts received in respect of the Collateral which are not required to be paid into another Account;

(O) all amounts required to be transferred from the relevant Counterparty Downgrade Collateral Account;

(P) all amounts transferred from the Expense Reserve Account;

(Q) all amounts payable into the Principal Account pursuant to paragraph (V) of the Interest Proceeds Priority of Payments upon the failure to meet the Interest Diversion Test;

(R) all principal and interest payments (together with amounts received by way of gross up of such interest and in respect of a claim under any applicable double tax treaty) received in respect of any Non-Eligible Issue Date Collateral Debt Obligation or any other asset which did not satisfy the Eligibility Criteria on the date it was required to do so and which has not been sold by the Collateral Manager in accordance with Collateral Management Agreement;

(S) all net Refinancing Proceeds;

(T) all amounts transferred from the Contributions Account;

(U) any other amounts which are not required to be paid into any other Account in accordance with this Condition 3(k) (*Payments to and from the Accounts*); and

(V) any Collateral Manager Advances designated for such purpose.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Principal Account, provided in each case that amounts deposited in the Principal Account pursuant to paragraph (S) above, shall only be applied in accordance with sub-paragraph (5) below unless, after such application on the relevant date, there is a surplus of such proceeds

(1) on the Business Day prior to each Payment Date, all Principal Proceeds standing to the credit of the Principal Account to the Payment Account to the extent required for disbursement pursuant to the Principal Proceeds Priority of Payments, save for: (a) amounts deposited after the end of the related Due Period; and (b) any Principal Proceeds deposited prior to the end of the related Due Period to the extent such Principal Proceeds are permitted to be and have been designated for reinvestment by the Collateral Manager (on behalf of the Issuer) pursuant to the Collateral Management Agreement (including any payments to an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction) for a period beyond such Payment Date, *provided that* (i) if the Coverage Tests are not satisfied, Principal Proceeds from Defaulted Obligations may not be designated for reinvestment by the Collateral Manager (on behalf of the Issuer) until after the following Payment Date and (ii) no such payment shall be made to the extent that such amounts are not required to be distributed pursuant to the Principal Proceeds Priority of Payments on such Payment Date;

(2) at any time at the discretion of the Collateral Manager, acting on behalf of the Issuer, in accordance with the terms of, and to the extent permitted under, the Collateral Management Agreement, in the acquisition of Collateral Debt Obligations (including amounts equal to the Unfunded Amounts of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations which are required to be deposited in the Unfunded Revolver Reserve Account) and any initial principal exchange amount denominated in Euro and due to an Asset Swap Counterparty pursuant to an Asset Swap Transaction;

(3) on any Payment Date, at the discretion of the Collateral Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Collateral Management Agreement, in payment of the purchase price of any Notes purchased by the Issuer in accordance with Condition 7(k) (*Purchase*);

(4) on or after the Effective Date but prior to the first Determination Date, an amount not exceeding 1.0 per cent. of the Aggregate Collateral Balance may be transferred in aggregate (inclusive of any such amounts transferred from the Unused Proceeds Account pursuant to paragraph (4)(ii) of Condition 3(k)(iii) (*Unused Proceeds Account*)) to the Interest Account *provided that* as at such date the Issuer has acquired or entered into binding commitments to acquire Collateral Debt Obligations, the Aggregate Principal Balance (*provided that*, for the purposes of determining the Aggregate Principal Balance, any repayments or prepayments of any Collateral Debt Obligation subsequent to the date of acquisition thereof shall be disregarded) of which equals or exceeds the Target Par Amount;

(5) on any date on which a Refinancing has occurred, all amounts credited to the Principal Account pursuant to paragraph (S) above, to be applied in the redemption of the Class or Classes of Notes that are the subject of such Refinancing subject to and in accordance with Condition 7(b) (*Optional Redemption*); and

(6) on any date on which a Refinancing has occurred, at the discretion of the Collateral Manager, to the payment of any Refinancing Costs associated with such Refinancing.

(ii) Interest Account

The Issuer will procure that the following Interest Proceeds are credited to the Interest Account promptly upon receipt thereof (and, in the case of receipts on any Unhedged Collateral Debt Obligation, *provided that* any amounts denominated in a currency other than Euro shall be converted into Euro at the Applicable Exchange Rate):

(A) all cash payments of interest in respect of the Collateral Debt Obligations (save for any Asset Swap Obligation) other than any Purchased Accrued Interest, together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty but excluding any interest received in respect of any Defaulted Obligations and Mezzanine Obligation for so long as it is a Defaulted Obligation or Defaulted Deferring Mezzanine Obligation (as applicable) other than Defaulted Obligation Excess Amounts and Defaulted Mezzanine Excess Amounts (as applicable);

(B) all interest accrued on the Balance standing to the credit of the Interest Account from time to time and all interest accrued in respect of the Balances standing to the credit of the other Accounts (save for each Counterparty Downgrade Collateral Account) (including interest on any Eligible Investments standing to the credit thereof);

(C) all amendment and waiver fees, all late payment fees, all commitment fees, syndication fees, delayed compensation and all other fees and commissions received in connection with any Collateral Debt Obligations and Eligible Investments as determined by the Collateral Manager in its discretion (other than fees and commissions received in connection with the purchase or sale of any Collateral Debt Obligations or Eligible Investments or work out or restructuring of any Defaulted Obligations or Collateral Debt Obligations which fees and commissions shall be payable into the Principal Account and shall constitute Principal Proceeds);

(D) all Scheduled Periodic Asset Swap Counterparty Payments received by the Issuer under an Asset Swap Transaction and all Scheduled Periodic Interest Rate Hedge Counterparty Payments received by the Issuer under an Interest Rate Hedge Transaction;

(E) all accrued interest included in the proceeds of sale of any other Collateral Debt Obligation that are designated by the Collateral Manager as Interest Proceeds pursuant to the Collateral Management Agreement (*provided that* no such designation may be made in respect of (i) any Purchased Accrued Interest, (ii) (1) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts or (2) a Defaulted Obligation save for Defaulted Obligation Excess Amounts);

(F) all proceeds received during the related Due Period from any additional issuance of Subordinated Notes that are not reinvested or retained for reinvestment in Collateral Debt Obligations;

(G) all amounts representing the element of deferred interest in any payments received in respect of any Mezzanine Obligation which is not a Defaulted Deferring Mezzanine Obligation which by its contractual terms provides for the deferral of interest;

(H) amounts transferred to the Interest Account from the Unused Proceeds Account in the circumstances described under Condition 3(k)(iii) (*Unused Proceeds Account*) below;

(I) all scheduled commitment fees received by the Issuer in respect of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations;

(J) all amounts received by the Issuer in respect of interest paid in respect of any collateral deposited by the Issuer with a third party as security for any reimbursement or indemnification obligations to any other lender under a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation in an account established pursuant to an ancillary facility;

(K) all cash payments of interest in respect of any asset which did not satisfy the Eligibility Criteria on the date it was required to do so and that has not been sold by the Collateral Manager, other than any Purchased Accrued Interest together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty in accordance with the Collateral Management Agreement;

(L) all amounts transferred from the Expense Reserve Account (including from the Refinancing Expense Reserve Sub-Account);

(M) all amounts transferred from the Contributions Account;

(N) any Swap Tax Credit received by the Issuer;

(O) any reimbursements received by the Issuer in respect of any withholding tax which has been previously withheld;

(P) any Collateral Manager Advances designated for such purpose;

(Q) amounts transferred from the Principal Account pursuant to Condition 3(k)(i)(A)(4) (*Principal Account*);

(R) any Interest Smoothing Amounts which are required to be transferred from the Interest Smoothing Account; and

(S) any Principal Proceeds designated by the Collateral Manager as Interest Proceeds in accordance with and subject to Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*); and

(T) all Purchased Accrued Interest which the Collateral Manager has designated in its sole discretion to be treated as Interest Proceeds.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Interest Account:

(1) on the Business Day prior to each Payment Date, all Interest Proceeds (save for Swap Tax Credits) standing to the credit of the Interest Account shall be transferred to the Payment Account to the extent required for disbursement pursuant to the Interest Proceeds Priority of Payments save for amounts deposited after the end of the related Due Period;

(2) at any time, funds may be transferred to the relevant Non-Euro Hedge Account up to an amount equal to any shortfall in the Balance standing to the credit of such Account with respect to any payment obligation by the Issuer pursuant to Condition 3(k)(x) (*Non-Euro Hedge Account*) at such time;

(3) at any time, any amounts payable by the Issuer under any Interest Rate Hedge Transaction save for any Interest Rate Hedge Termination Payments that are Defaulted Hedge Termination Payments;

(4) at any time in accordance with the terms of, and to the extent permitted under, the Collateral Management Agreement, in the acquisition of Collateral Debt Obligations to the extent that any such acquisition costs represent accrued interest;

(5) at any time, any Swap Tax Credits shall be paid to the relevant Hedge Counterparty in accordance with the terms of the relevant Hedge Agreement;

(6) on the Business Day following each Determination Date save for: (i) the first Determination Date following the Issue Date, (ii) a Determination Date following the occurrence of a Note Event of Default which is continuing and (iii) the Determination Date immediately prior to any redemption of the Notes in full, any Interest Smoothing Amount required to be transferred to the Interest Smoothing Account; and

(7) following the date on which any Refinancing has occurred, at the discretion of the Collateral Manager, to the Principal Account in reimbursement of any amount of Principal Proceeds applied in payment of related Refinancing Costs in accordance with Condition 3(k)(i)(V)(6) (*Principal Account*).

(iii) Unused Proceeds Account

The Issuer will procure that the following amounts are credited to the Unused Proceeds Account, as applicable:

(A) an amount equal to the net proceeds of issue of the Notes remaining after payment of: (1) certain fees and expenses due and payable by the Issuer on the Issue Date; (2) amounts payable into the Expense Reserve Account (unless paid from the Unused Proceeds Account pursuant to paragraph (1)(c) below); (3) amounts repaid pursuant to the Warehouse Arrangements; and (4) amounts payable into the Interest Reserve Account (unless paid from the Unused Proceeds Account pursuant to paragraph (1)(d) below); and

(B) all proceeds received during the Initial Investment Period from any additional issuance of Notes that are not invested in Collateral Debt Obligations or paid into the Interest Account.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the applicable sub-ledger of the Unused Proceeds Account:

(1) on or about the Issue Date, such amounts equal to the aggregate of:

(a) the purchase price for certain Collateral Debt Obligations on or prior to the Issue Date, if any;

(b) amounts required for repayment of any amounts borrowed by the Issuer (together with interest thereon) in order to finance the acquisition of certain Collateral Debt Obligations on or prior to the Issue Date;

(c) amounts payable into the Expense Reserve Account (to the extent the amount paid into the Unused Proceeds Account pursuant to paragraph (A) above is not reduced thereby); and

(d) amounts payable into the Interest Reserve Account (to the extent the amount paid into the Unused Proceeds Account pursuant to paragraph (A) above is not reduced thereby);

(2) at any time up to and including the last day of the Initial Investment Period, in accordance with the terms of, and to the extent permitted under, the Collateral Management Agreement, in the acquisition of Collateral Debt Obligations including any amounts payable by the Issuer to an Asset Swap Counterparty in respect of initial principal exchange in relation to an Asset Swap Obligation;

(3) in the event of the occurrence of an Effective Date Rating Event, the Balance standing to the credit of the Unused Proceeds Account, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payments, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier, until an Effective Date Rating Event is no longer continuing, or to the purchase of additional Collateral Debt Obligations until an Effective Date Rating Event is no longer continuing; and

(4) on or after the Effective Date, the Balance standing to the credit of the Unused Proceeds Account, to the Principal Account or the Interest Account, in each case, at the discretion of the Collateral Manager, acting on behalf of the Issuer,

provided that as at such date: (i) the Issuer has acquired or entered into binding commitments to acquire Collateral Debt Obligations, the Aggregate Principal Balance (*provided that*, for the purposes of determining the Aggregate Principal Balance, any repayments or prepayments of any Collateral Debt Obligation subsequent to the date of acquisition thereof shall be disregarded) of which equals or exceeds the Target Par Amount; and (ii) an amount not exceeding 1.0 per cent. of the Aggregate Collateral Balance may be transferred in aggregate (inclusive of any such amounts transferred from the Principal Account pursuant to paragraph (4) of Condition 3(k)(i) (*Principal Account*)) to the Interest Account.

(iv) Payment Account

The Issuer will procure that, on the Business Day prior to each Payment Date, all amounts standing to the credit of each of the Accounts which are required to be transferred from the other accounts to the Payment Account pursuant to Condition 3(j) (*Accounts*) and Condition 3(k) (*Payments to and from the Accounts*) are so transferred, and, on such Payment Date, the Collateral Administrator shall cause the Account Bank (acting on the basis of the Payment Date Report), to disburse such amounts in accordance with the Priorities of Payments. No amounts shall be transferred to or withdrawn from the Payment Account at any other time or in any other circumstances.

(v) Counterparty Downgrade Collateral Accounts

The Issuer will procure that all Counterparty Downgrade Collateral transferred pursuant to a Hedge Agreement shall be deposited in a separate account in respect of each Hedge Counterparty. All Counterparty Downgrade Collateral deposited from time to time in any Counterparty Downgrade Collateral Account shall be held and released pursuant to the terms set out below.

The funds or securities credited to a Counterparty Downgrade Collateral Account and any interest or distributions thereon or liquidation proceeds thereof do not form part of Principal Proceeds, Interest Proceeds or of Collateral Enhancement Debt Obligation Proceeds (other than in the circumstances set out below) and accordingly, are not available to fund general distributions of the Issuer (save as set out below and in the applicable Hedge Agreement). The amounts standing to the credit of the applicable Counterparty Downgrade Collateral Account shall be segregated on the Custodian's books and records from any other funds from any other party.

Amounts standing to the credit of each Counterparty Downgrade Collateral Account will not be available for the Issuer to make payments to the Noteholders nor any other creditor of the Issuer. The Issuer will procure the payment of the following amounts (and shall ensure that no other payments are made, save to the extent required hereunder):

(A) prior to the occurrence or designation of an "**Early Termination Date**" (as defined in the relevant Hedge Agreement) in respect of all "**Transactions**" (as defined in the relevant Hedge Agreement) entered into under the relevant Hedge Agreement pursuant to which all "**Transactions**" under such Hedge Agreement are terminated early, solely in or towards payment or transfer of:

(1) any "**Return Amounts**" (as defined in the applicable "Credit Support Annex" of the applicable Hedge Agreement);

(2) any "**Interest Amounts**" and "**Distributions**" (each as defined in the applicable "**Credit Support Annex**" of the applicable Hedge Agreement) or such other equivalent amounts representing equivalent payments; and

(3) any return of collateral to the relevant Hedge Counterparty upon a novation of its obligations under such Hedge Agreement to a replacement Hedge Counterparty, directly to such Hedge Counterparty,

in each case in accordance with the terms of the "**Credit Support Annex**" of the applicable Hedge Agreement;

(B) following the designation of an "**Early Termination Date**" in respect of all "**Transactions**" under a Hedge Agreement pursuant to which all "**Transactions**" under such Hedge Agreement are terminated early where (X) an "**Event of Default**" (as defined in such Hedge Agreement) in respect of the relevant Hedge Counterparty and an "**Additional Termination Event**" (as defined in such Hedge Agreement) in relation to which the relevant Hedge Counterparty is the sole "**Affected Party**" (as defined in such Hedge Agreement) and (Y) the Issuer enters into a replacement Hedge Agreement or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty on or around the "**Early Termination Date**" (as defined in such Hedge Agreement) of such Hedge Agreement, in the following order of priority:

(1) *first*, in or towards payment of any Hedge Replacement Payment (to the extent not funded from the Hedge Termination Account);

(2) *second*, in or towards payment of any Hedge Termination Payment (to the extent not funded from the Hedge Termination Account); and

(3) *third*, the surplus remaining (if any) (the "**Counterparty Downgrade Collateral Account Surplus**") be transferred to the Principal Account;

(C) following the designation of an "**Early Termination Date**" in respect of all "**Transactions**" under a Hedge Agreement pursuant to which all "**Transactions**" under such Hedge Agreement are terminated early (A) other than in respect of a "**Event of Default**" (as defined in such Hedge Agreement) in respect of the relevant Hedge Counterparty and other than in respect of an "**Additional Termination Event**" (as defined in such Hedge Agreement) in relation to which the relevant Hedge Counterparty is the sole "**Affected Party**" (as defined in such Hedge Agreement) and (B) the Issuer enters into a replacement Hedge Agreement or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty on or around the "**Early Termination Date**" (as defined in such Hedge Agreement) of such Hedge Agreement, in the following order of priority:

(1) *first*, in or towards payment of any Hedge Termination Payment (to the extent not funded from the Hedge Termination Account);

(2) *second*, in or towards payment of any Hedge Replacement Payment (to the extent not funded from the Hedge Termination Account); and

(3) *third*, the Counterparty Downgrade Collateral Account Surplus to be transferred to the Principal Account, and

(D) following the designation of an "**Early Termination Date**" (as defined in each Hedge Agreement) in respect of all "**Transactions**" under a Hedge Agreement pursuant to which all "**Transactions**" under the relevant Hedge Agreement are terminated early, if for any reason the Issuer is unable to or elects not to enter into a replacement Hedge Agreement or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty on or around the "**Early Termination Date**" (as defined in such Hedge Agreement), in the following order of priority:

(1) *first*, in or towards payment of any Hedge Termination Payment (to the extent not funded from the Hedge Termination Account); and

(2) *second*, the Counterparty Downgrade Collateral Account Surplus to be transferred to the Principal Account.

(vi) Collateral Enhancement Account

The Issuer will procure that, on each Payment Date, any Collateral Enhancement Amount applied in payment into the Collateral Enhancement Account pursuant to paragraph (AA) of the Interest Proceeds Priority of Payments, is credited to the Collateral Enhancement Account together with, at any time, the proceeds of a Collateral Manager Advance and any amounts transferred from the Contributions Account in accordance with Condition 3(k)(viii) (*Contributions Account*), to the extent not applied in the acquisition of or, in respect of any exercise of any option or warrant comprised in, one or more Collateral Enhancement Debt Obligations (in accordance with the terms of the Collateral Management Agreement).

The Issuer will (at the direction of the Collateral Manager which shall be made in its sole discretion) procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Collateral Enhancement Account at the sole discretion of the Collateral Manager:

(A) at any time, to the Principal Account for either (x) during the Reinvestment Period to reinvest in Substitute Collateral Debt Obligations or invest in additional Collateral Debt Obligations or (y) otherwise for distribution on the next following Payment Date in accordance with the Principal Proceeds Priority of Payments;

(B) any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Debt Obligations, in accordance with the terms of the Collateral Management Agreement;

(C) any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), to purchase any Rated Notes in accordance with Condition 7(k) (*Purchase*);

(D) at any time, to the Interest Account for distribution on the next following Payment Date in accordance with the Interest Proceeds Priorities of Payments;

(E) the occurrence of an Effective Date Rating Event, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payments, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier until an Effective Date Rating Event is no longer continuing;

(F) for distribution in accordance with the Post-Acceleration Priorities of Payments following the delivery of an Acceleration Notice which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*) or, as the case may be, following automatic acceleration of the Notes or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*);

(G) at any time at the discretion of the Collateral Manager in repayment of any Collateral Manager Advances;

(H) for deposit into the Expense Reserve Account; and

(I) on any Payment Date, as directed by the Issuer in its discretion (or the Collateral Manager acting on its behalf), some or all of the Collateral Enhancement Amount(s) to the payment of distributions on the Subordinated Notes in each case on a *pro rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), provided that if the Incentive Collateral Management Fee IRR Threshold has been reached (after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date), 20 per cent. of such distribution shall instead be paid to the Collateral Manager, provided however that the Collateral Manager may, in its sole discretion, elect to (x) irrevocably waive or (y) designate for reinvestment some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (I) on any Payment Date and apply such amount to, in the case of (y), (i) be used to purchase additional Collateral Debt Obligations or exercise any option under a Collateral Enhancement Debt Obligation or (ii) remain in the Collateral Enhancement Account pending reinvestment in additional Collateral Debt Obligations or the exercise of any option under a Collateral Enhancement Debt Obligation or, in the case of (x), be applied to the payment of distributions on the Subordinated Notes, subject in each case to the Collateral Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied,

provided that, for the avoidance of doubt, in respect of items (A), (D), (E) and (I) above there is no obligation for such payment to be made to the Principal Account, Interest Account, Collateral Enhancement Account or Payment Account (as applicable) prior to any Payment Date unless the Issuer (or the Collateral Manager on its behalf) so directs and, for the avoidance of doubt, in respect of item (H) above there is no obligation for such payment to be made to the Expense Reserve Account unless the Issuer (or the Collateral Manager on its behalf) so directs.

Except as set out in item (F) above, amounts in the Collateral Enhancement Account will not be applied in accordance with the Post-Acceleration Priority of Payments following delivery of an Acceleration Notice (deemed or otherwise) but will instead be applied in accordance with this Condition 3(k)(vi) (*Collateral Enhancement Account*) at the discretion of the Collateral Manager.

(vii) Unfunded Revolver Reserve Account

The Issuer shall procure the following amounts are paid into the Unfunded Revolver Reserve Account:

(A) upon the acquisition by or on behalf of the Issuer of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, an amount (such amount the "**Revolver Reserve Commitment**") equal to the amount which would cause the Balance standing to the credit of the Unfunded Revolver Reserve Account to be at least equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Collateral Debt Obligations (which Unfunded Amounts will be treated as part of the purchase price for the related Revolving Obligation or Delayed Drawdown Collateral Debt Obligation) less (i) amounts posted thereafter as collateral (which do not constitute Funded Amounts), in each case, pursuant to the provisions (2) or (3) below, as applicable;

(B) all principal payments received by the Issuer in respect of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, if and to the extent that the

amount of such principal payments may be re borrowed under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation or otherwise by the Collateral Manager, acting on behalf of the Issuer;

(C) all repayments of collateral to the Issuer originally paid by the Issuer pursuant to (2) below.

The Issuer shall procure payment of the following amounts (and shall ensure that no other amounts are paid) out of the Unfunded Revolver Reserve Account:

(1) all amounts required to fund any drawings under any Delayed Drawdown Collateral Debt Obligation or Revolving Obligation;

(2) in respect of Delayed Drawdown Collateral Debt Obligations or Revolving Obligations, all amounts required to be deposited in the Issuer's name with any third party which satisfies the Rating Requirement applicable to an Account Bank (or if the third party does not satisfy the Rating Requirement applicable to an Account Bank, subject to receipt of Rating Agency Confirmation) as collateral for any funding obligations of the Issuer in respect of a Delayed Drawdown Collateral Debt Obligation or Revolving Obligation including but not limited to reimbursement or indemnification obligations of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation (subject to such security documentation as may be agreed between such lender, the Collateral Manager acting on behalf of the Issuer and the Trustee);

(3) (x) at any time at the direction of the Collateral Manager (acting on behalf of the Issuer) or (y) upon the sale (in whole or in part) of a Revolving Obligation or the reduction, cancellation or expiry of any commitment of the Issuer to make future advances or otherwise extend credit thereunder, any excess of (a) the amount standing to the credit of the Unfunded Revolver Reserve Account over (b) the sum of the Unfunded Amounts of all Revolving Obligations and Delayed Drawdown Collateral Debt Obligations after taking into account such sale or such reduction, cancellation or expiry of such commitment or notional amount to the Principal Account;

(4) all interest accrued on the Balance standing to the credit of the Unfunded Revolver Reserve Account from time to time (including capitalised interest received upon the sale, maturity or termination of any Eligible Investment) to the Interest Account; and

(5) at the discretion of the Collateral Manager, acting on behalf of the Issuer, to the Principal Account, to the extent that the Revolver Reserve Commitment would still be satisfied following such transfer.

(viii) Contributions Account

At any time during or after the Reinvestment Period, any Contributor may make Contributions to the Issuer. The Collateral Manager, on behalf of the Issuer, may accept or reject any Contribution in its discretion (and will notify the Trustee in writing of any such acceptance); *provided that* in the case of clause (ii) of the definition of "**Contribution**", such notice must be provided no later than two (2) Business Days prior to the applicable Payment Date. Each accepted Contribution will be credited to the Contributions Account.

The Issuer will procure payment of Contributions standing to the credit of the Contributions Account (and shall ensure that payment of no other amount is made, save

to the extent otherwise permitted above) out of the Contributions Account as directed by the Contributor at the time the relevant Contribution is made or, if no direction is given by the Contributor, at the Collateral Manager's sole discretion, as follows:

(A) at any time, to the Principal Account for distribution on the next following Payment Date in accordance with the Principal Proceeds Priority of Payments;

(B) at any time, to the Interest Account for distribution on the next following Payment Date in accordance with the Interest Proceeds Priorities of Payments;

(C) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Debt Obligations, in accordance with the terms of the Collateral Management Agreement;

(D) at any time, to the Collateral Enhancement Account, for application in accordance with Condition 3(j)(vi) (*Collateral Enhancement Account*);

(E) at any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), to purchase any Rated Notes in accordance with Condition 7(k) (*Purchase*);

(F) following the occurrence of an Effective Date Rating Event that is continuing, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payments, in redemption of the Notes in accordance with the Note Payment Sequence until an Effective Date Rating Event is no longer continuing, or to the purchase of additional Collateral Debt Obligations until an Effective Date Rating Event is no longer continuing;

(G) for distribution in accordance with the Post-Acceleration Priority of Payments following the delivery of an Acceleration Notice which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*) or, as the case may be, following automatic acceleration of the Notes or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*);

(H) for deposit into the Expense Reserve Account; and

(I) on any Payment Date, as directed by the Issuer in its discretion (or the Collateral Manager acting on its behalf), some or all of the Contribution to the payment of distributions on the Subordinated Notes in each case on a *pro rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), provided that if the Incentive Collateral Management Fee IRR Threshold has been reached (after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date), 20 per cent. of such distribution shall instead be paid to the Collateral Manager, provided however that the Collateral Manager may, in its sole discretion, elect to (x) irrevocably waive or (y) designate for reinvestment some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (I) on any Payment Date and apply such amount to, in the case of (y), (i) be used to purchase additional Collateral Debt Obligations or exercise any option under a Collateral Enhancement Debt Obligation or (ii) remain in the Contributions Account or, in the case of (x), be applied to the payment of distributions on the Subordinated Notes, subject in each case to the Collateral Manager having notified the Collateral Administrator in writing not later than one

Business Day prior to the relevant Determination Date of any amounts to be so applied,

provided that, for the avoidance of doubt, in respect of items (A), (B), (F) and (I) above there is no obligation for such payment to be made to the Principal Account, Interest Account, Collateral Enhancement Account or Payment Account (as applicable) prior to any Payment Date unless the Issuer (or the Collateral Manager on its behalf) so directs and, for the avoidance of doubt, in respect of item (H) above there is no obligation for such payment to be made to the Expense Reserve Account unless the Issuer (or the Collateral Manager on its behalf) so directs.

No Contribution or portion thereof accepted by the Collateral Manager will be returned to the Contributor at any time save for in accordance with the Priorities of Payments. All interest accrued on amounts standing to the credit of the Contributions Account will be transferred to the Interest Account for application as Interest Proceeds. For the avoidance of doubt, any amounts standing to the credit of the Contributions Account pursuant to clause (ii) of the definition of "**Contribution**" will be deemed for all purposes as having been paid to the Contributor pursuant to the Priorities of Payments.

Except as set out in item (G) above, amounts in the Contributions Account will not be applied in accordance with the Post-Acceleration Priority of Payments following delivery of an Acceleration Notice (deemed or otherwise) but will instead be applied in accordance with this Condition 3(k)(viii) (*Contributions Account*) at the discretion of the Collateral Manager.

(ix) Hedge Termination Account

The Issuer will procure that all Hedge Termination Receipts and Hedge Replacement Receipts are paid into the relevant Hedge Termination Account promptly upon receipt thereof.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made save to the extent otherwise permitted) out of the relevant Hedge Termination Account in payment as provided below:

(A) at any time, in the case of any Hedge Replacement Receipts paid into the relevant Hedge Termination Account, in payment of any Hedge Termination Payment due and payable to a Hedge Counterparty under the Hedge Transaction being replaced or to the extent not required to make such payment, in payment of such amount to the Principal Account;

(B) at any time, in the case of any Hedge Termination Receipts paid into the relevant Hedge Termination Account, in payment of any Hedge Replacement Payment and any other amounts payable by the Issuer upon entry into a Replacement Interest Rate Hedge Transaction or a Replacement Asset Swap Transaction, as applicable in accordance with the Collateral Management Agreement; and

(C) in the case of any Hedge Termination Receipts paid into the relevant Hedge Termination Account, in the event that:

(1) the Issuer, or the Collateral Manager on its behalf, determines not to replace the Hedge Transaction and Rating Agency Confirmation is received in respect of such determination; or

(2) termination of the Hedge Transaction under which such Hedge Termination Receipts are payable occurs on a Redemption Date (other than in connection with a Refinancing); or

(3) to the extent that such Hedge Termination Receipts are not required for application towards costs of entry into a Replacement Interest Rate Hedge Transaction or a Replacement Asset Swap Transaction, as applicable,

payment of such amounts (save for accrued interest thereon) to the Principal Account.

(x) Non-Euro Hedge Account

The Issuer will procure that all amounts due to the Issuer in respect of each Asset Swap Obligation (including, any payments from an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction) shall, on receipt, be deposited in the Non-Euro Hedge Account maintained in the currency of such Asset Swap Obligation. Additional amounts may also be transferred to the relevant Non-Euro Hedge Account from the Interest Account at any time to the extent of any shortfall in the Balance standing to the credit of the relevant Non-Euro Hedge Account in respect of any payment required to be made by the Issuer pursuant to (B) below at such time.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the relevant Non-Euro Hedge Account:

(A) at any time, to the extent of any initial principal exchange amount deposited into the relevant Non-Euro Hedge Account in accordance with the terms of and to the extent permitted under the Collateral Management Agreement, in the acquisition of Asset Swap Obligations;

(B) Scheduled Periodic Asset Swap Issuer Payments due to each Asset Swap Counterparty pursuant to each Asset Swap Transaction;

(C) Asset Swap Issuer Principal Exchange Amounts (other than any initial asset swap principal exchange amount denominated in Euro and due to an Asset Swap Counterparty pursuant to an Asset Swap Transaction, which shall be paid from the Principal Account or Unused Proceeds Account) due to each Asset Swap Counterparty pursuant to each Asset Swap Transaction; and

(D) cash amounts (representing any excess standing to the credit of the relevant Non-Euro Hedge Account after provisioning for any amounts to be paid to any Asset Swap Counterparty pursuant to any Asset Swap Transaction) to the Principal Account after conversion thereof into Euro at the then Applicable Exchange Rate.

(xi) Expense Reserve Account

The Issuer shall procure that the following amounts are paid into the Expense Reserve Account:

(A) an amount determined on the Issue Date for the payment of amounts due or accrued in connection with the issue of the Notes, in accordance with (1) below;

(B) any Ongoing Expense Reserve Amount applied in payment into the Expense Reserve Account pursuant to paragraph (D) of the Interest Proceeds Priority of Payments and (A) of the Principal Proceeds Priority of Payments;

(C) all amounts transferred from the Collateral Enhancement Account pursuant to paragraph (H) of Condition 3(k)(vi) (*Collateral Enhancement Account*);

(D) all amounts transferred from the Contributions Account pursuant to paragraph (G) of Condition 3(k)(viii) (*Contributions Account*);

(E) any amounts received by the Issuer by way of indemnity payments from third parties ("**Third Party Indemnity Receipts**"); and

(F) any amounts transferred from the Unused Proceeds Account pursuant to paragraph 1(c) of Condition 3(k)(iii) (*Unused Proceeds Account*).

The Issuer shall also procure that any Refinancing Expense Reserve Amounts are paid into the Refinancing Expense Reserve Sub-Account.

The Issuer shall procure payment of the following amounts (and shall procure that no other amounts are paid) out of the Expense Reserve Account:

(1) other than Third Party Indemnity Receipts, amounts due or accrued with respect to actions taken on or in connection with the Issue Date with respect to the issue of the Notes and the entry into the Transaction Documents;

(2) other than Third Party Indemnity Receipts, subject to payment of any amounts referred to in paragraph (3) below, amounts standing to the credit of the Expense Reserve Account on or after the Determination Date immediately preceding the first Payment Date may be transferred to the Principal Account and/or the Interest Account in the sole discretion of the Issuer (or the Collateral Manager acting on its behalf);

(3) other than Third Party Indemnity Receipts, at any time other than between a Determination Date and a Payment Date (without regard to the Senior Expenses Cap), the amount of, firstly, any Trustee Fees and Expenses and, secondly, Administrative Expenses which have accrued and become payable prior to the immediately following Payment Date, upon receipt of invoices therefor from the relevant creditor, *provided that* any such payments, in aggregate, shall not cause the balance of the Expense Reserve Account to fall below zero (without regard to the Senior Expenses Cap);

(4) other than Third Party Indemnity Receipts, on the Business Day prior to each Payment Date, the Balance of the Expense Reserve Account shall be transferred to the Payment Account for application in accordance with the Interest Proceeds Priority of Payments on such Payment Date;

(5) on any date, any Third Party Indemnity Receipts due and payable by the Issuer to the Trustee, in an amount which shall not at any time exceed the lesser of (i) the amount paid into the Expense Reserve Account in accordance with paragraph (E) above; and (ii) the amount of any indemnity payments payable by the Issuer to the Trustee. Any such amount so paid shall not be taken into account for the purposes of the application of the Senior Expenses Cap;

(6) any Third Party Indemnity Receipts in excess of (5) above shall be transferred to the Payment Account on the Business Day prior to each Payment Date for application in accordance with the Interest Proceeds Priority of Payments on such Payment Date; and

(7) other than Third Party Indemnity Receipts, at any time, the amount of any tax that has become due and payable prior to the immediately following Payment Date, as certified by an Authorised Officer of the Issuer, *provided that* any such payments, in aggregate and together with any other payments out of the Expense Reserve Account on the relevant date, shall not cause the balance of the Expense Reserve Account to fall below zero.

The Issuer shall procure (at the direction of the Collateral Manager, acting in its sole discretion) payment of the following amounts (and shall procure that no other amounts are paid) out of the Refinancing Expense Reserve Sub-Account:

(1) at any time, to pay Refinancing Costs; or

(2) to the extent not required to pay Refinancing Costs, either:

(A) for payment to the holders of the Subordinated Notes (without regard to the Priority of Payments) on any Business Day; or

(B) at any time, to the Interest Account.

The Collateral Manager shall set a record date for any payment to be made to the Subordinated Noteholders as provided in sub-paragraph (2)(A) above and give notice thereof to the Trustee at least three Business Days prior to the date of any such payment. Any such payment shall be included in the calculation of the Incentive Collateral Management Fee IRR Threshold.

(xii) Collection Account

The Issuer shall procure that all amounts received in respect of any Collateral (excluding any Counterparty Downgrade Collateral) are credited to the Collection Account. The Issuer shall procure that the Collateral Administrator and the Account Bank transfer all amounts standing to the credit of the Collection Account to the Accounts to which such funds are required to be credited to in accordance with Condition 3(i)(*Accounts*) on a daily basis such that the balance standing to the credit of the Collection Account at the end of each Business Day is zero.

(xiii) Interest Reserve Account

The Issuer shall procure that on or about the Issue Date €3,100,000 is paid into the Interest Reserve Account, which amount shall include any amounts transferred from the Unused Proceeds Account pursuant to paragraph 1(d) of Condition 3(k)(iii) (*Unused Proceeds Account*).

At any time up to and including the last day of the Initial Investment Period, the Collateral Manager, in its sole discretion (acting on behalf of the Issuer), may direct some or all amounts standing to the credit of the Interest Reserve Account to be used for the acquisition of Collateral Debt Obligations, subject to and in accordance with the Collateral Management Agreement. Following the Initial Investment Period, all amounts standing to the credit of the Interest Reserve Account (including all interest accrued thereon) shall be transferred to the Payment Account for disbursement pursuant to the Interest Proceeds Priority of Payments.

(xiv) Interest Smoothing Account

On the Business Day following each Determination Date save for:

(A) the first Determination Date following the Issue Date;

(B) a Determination Date following the occurrence of a Note Event of Default which is continuing; and

(C) the Determination Date immediately prior to any redemption of the Notes in full,

the Interest Smoothing Amount (if any) shall be credited to the Interest Smoothing Account from the Interest Account.

The Issuer shall procure, on the Business Day falling after the Payment Date following the Determination Date on which any Interest Smoothing Amount was transferred to the Interest Smoothing Account, such Interest Smoothing Amount to be transferred to the Interest Account.

(xv) Collateral Manager Advances

To the extent that there are insufficient sums standing to the credit of the Collateral Enhancement Account from time to time to exercise rights under Collateral Enhancement Debt Obligations which the Collateral Manager determines on behalf of the Issuer should be exercised, the Collateral Manager may, at its discretion, pay amounts required in order to fund such exercise (such amount, a "**Collateral Manager Advance**") to such account pursuant to the terms of the Collateral Management Agreement. Each Collateral Manager Advance shall bear interest in accordance with the Collateral Management Agreement at a rate equal to EURIBOR plus 2.0 per cent. per annum or such other lower rate as may be agreed among the Collateral Manager and the Issuer from time to time. The Collateral Manager shall notify the Collateral Administrator as soon as practicable of any payment of a Collateral Manager Advance.

All such Collateral Manager Advances shall be repaid out of Interest Proceeds and Principal Proceeds on each Payment Date pursuant to the Priorities of Payments or, at the discretion of the Collateral Manager, out of amounts standing to the credit of the Collateral Enhancement Account. No Collateral Manager Advance may be for an amount less than €500,000 and no more than 5 Collateral Manager Advances shall be permitted.

(l) Unscheduled Payment Dates

The Issuer and the Collateral Manager may (and must if so directed by the Subordinated Noteholders acting by Ordinary Resolution) designate a date (other than a scheduled Payment Date and a Redemption Date) as a Payment Date (each an "**unscheduled Payment Date**") if the following conditions are met:

(i) the proposed unscheduled Payment Date is a Business Day falling after the date upon which the Rated Notes have been repaid or redeemed in full;

(ii) the unscheduled Payment Date falls no less than 5 Business Days after the Collateral Manager (on behalf of the Issuer) has notified the Trustee, the Collateral Administrator, the Principal Paying Agent and the Noteholders (in accordance with Condition 16 (*Notices*)) of the intended date of the unscheduled payment;

(iii) the proposed unscheduled Payment Date falls more than 5 Business Days prior to a scheduled Payment Date; and

(iv) the proposed unscheduled Payment Date falls no less than 5 Business Days after any previous unscheduled Payment Date.

4. Security

(a) Security

Pursuant to the Trust Deed, the obligations of the Issuer under the Notes of each Class, the Trust Deed, the Agency Agreement, the Collateral Management Agreement and the other Transaction Documents (together with the obligations owed by the Issuer to the other Secured Parties) are secured in favour of the Trustee for the benefit of the Secured Parties by:

(i) an assignment by way of security of all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral

Debt Obligations, Exchanged Securities, Collateral Enhancement Debt Obligations, Eligible Investments standing to the credit of each of the Accounts (other than the Counterparty Downgrade Collateral Accounts) and any other investments (other than any Counterparty Downgrade Collateral), in each case held by the Issuer from time to time (where such rights are contractual rights (other than contractual rights the assignment of which would require the consent of a third party or the entry by the Trustee into an intercreditor agreement or deed) and where such contractual rights arise other than under securities), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(ii) a first fixed charge and first priority security interest granted over all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Debt Obligations, Exchanged Securities, Collateral Enhancement Debt Obligations, Eligible Investments standing to the credit of each of the Accounts (other than the Counterparty Downgrade Collateral Accounts) and any other investments (other than any Counterparty Downgrade Collateral), in each case held by the Issuer (where such assets are securities or contractual rights not assigned by way of security pursuant to paragraph (i) above and which are capable of being the subject of a first fixed charge and first priority security interest), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(iii) a first fixed charge over all present and future rights of the Issuer in respect of each of the Accounts and all moneys from time to time standing to the credit of such Accounts (other than, each case, the Counterparty Downgrade Collateral Accounts) and the debts represented thereby and including, without limitation, all interest accrued and other moneys received in respect thereof;

(iv) a first fixed charge and first priority security interest (where the applicable assets are securities) over, or an assignment by way of security (where the applicable rights are contractual obligations) of, all present and future rights of the Issuer in respect of any Counterparty Downgrade Collateral standing to the credit of each Counterparty Downgrade Collateral Account; including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof and over each Counterparty Downgrade Collateral Account and all moneys from time to time standing to the credit of each Counterparty Downgrade Collateral Account and the debts represented thereby including without limitation, all interest accrued and other monies received in respect thereof, subject, in each case to the rights of any Hedge Counterparty to the applicable Counterparty Downgrade Collateral Account pursuant to the terms of the relevant Hedge Agreement and these Conditions (and, in each case, subject to any prior ranking security interest entered into by the Issuer in relation thereto in favour of a Hedge Counterparty);

(v) an assignment by way of security of all the Issuer's present and future rights against the Custodian under the Agency Agreement (to the extent it relates to the Custody Account) and a first fixed charge over all of the Issuer's right, title and interest in and to the Custody Account (including each cash account relating to the Custody Account) and any cash held therein and the debts represented thereby;

(vi) an assignment by way of security of all the Issuer's present and future rights under each Hedge Agreement and each Hedge Transaction entered into thereunder (including the

Issuer's rights under any guarantee or credit support annex entered into pursuant to any Hedge Agreement, *provided that* such assignment by way of security shall not in any way restrict the release of collateral granted thereunder in whole or in part at any time pursuant to the terms thereof);

(vii) an assignment by way of security of all the Issuer's present and future rights under the Collateral Management Agreement and all sums derived therefrom;

(viii) a first fixed charge over all moneys held from time to time by the Principal Paying Agent and any other Agent for payment of principal, interest or other amounts on the Notes (if any);

(ix) an assignment by way of security of all the Issuer's present and future rights under the Agency Agreement and the Placement Agreement and all sums derived therefrom;

(x) an assignment by way of security of all the Issuer's present and future rights under the Retention Letter and all sums derived therefrom;

(xi) an assignment by way of security of all the Issuer's present and future rights under the Collateral Acquisition Agreements and all sums derived therefrom;

(xii) an assignment by way of security of all of the Issuer's present and future rights under the other Transaction Documents and all sums derived therefrom;

(xiii) a floating charge over the whole of the Issuer's undertaking and assets to the extent that such undertaking and assets are not subject to any other security created pursuant to the Trust Deed,

excluding for the purpose of (i) to (xiii) above:

(A) amounts standing to the credit of the Issuer Irish Account and all monies from time to time standing to the credit thereof and the debts represented thereby, including all interest accrued and other monies received in respect thereof; and

(B) the Issuer's rights under the Corporate Services Agreement.

The security will extend to the ultimate balance of obligations of the Issuer owed to the Secured Parties, regardless of any intermediate payment or discharge in part.

If, for any reason, the purported assignment by way of security of, and/or the grant of first fixed charge over, the property, assets, rights and/or benefits described above is found to be ineffective in respect of any such property, assets, rights and/or benefits (together, the "**Affected Collateral**"), the Issuer shall hold to the fullest extent permitted under Irish mandatory law the benefit of the Affected Collateral and any sums received in respect thereof or any security interest, guarantee or indemnity or undertaking of whatever nature given to secure such Affected Collateral (together, the "**Trust Collateral**") on trust for the Trustee for the benefit of the Secured Parties and shall (i) account to the Trustee for or otherwise apply all sums received in respect of such Trust Collateral as the Trustee may direct (*provided that*, subject to the Conditions and the terms of the Collateral Management Agreement, if no Note Event of Default has occurred and is continuing, the Issuer shall be entitled to apply the benefit of such Trust Collateral and such sums in respect of such Trust Collateral received by it and held on trust under this paragraph without prior direction from the Trustee), (ii) exercise any rights it may have in respect of the Trust Collateral at the direction of the Trustee and (iii) at its own cost take such action and execute such documents as the Trustee may in its sole discretion require.

The Issuer may from time to time grant security:

(1) by way of a first priority security interest to a Hedge Counterparty over:

(A) the Counterparty Downgrade Collateral deposited by such Hedge Counterparty in the relevant Counterparty Downgrade Collateral Account related to such Hedge Counterparty including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof; and

(B) the Counterparty Downgrade Collateral Account related to such Hedge Counterparty, all moneys from time to time standing to the credit of such Counterparty Downgrade Collateral Account and the debts represented thereby including without limitation, all interest accrued and other monies received in respect thereof,

in each case, as security for the Issuer's obligations to repay or redeem such Counterparty Downgrade Collateral pursuant to the terms of the applicable Hedge Agreement and these Conditions (subject to such security documentation as may be agreed between such third party, the Collateral Manager acting on behalf of the Issuer and the Trustee). For the avoidance of doubt, the Issuer may grant such security interest directly to the Hedge Counterparty; and/or

(2) by way of first priority security interest over amounts representing all or part of the Unfunded Amount of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation and deposited in its name with a third party as security for any payment obligations of the Issuer in respect of such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation including but not limited to reimbursement or indemnification obligation of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, subject to the terms of Condition 3(k)(vii) (*The Unfunded Revolver Reserve Account*) (including Rating Agency Confirmation).

All deeds, documents, assignments, instruments, bonds, notes, negotiable instruments, papers and any other instruments comprising, evidencing, representing and/or transferring the Portfolio will be deposited with or held by or on behalf of the Custodian until the security over such obligations is irrevocably discharged in accordance with the provisions of the Trust Deed. In the event that the ratings of the Custodian are downgraded to below the Rating Requirement or withdrawn, the Issuer shall use reasonable endeavours to procure that a replacement Custodian with the Rating Requirement and who is appointed on substantially the same terms under the Agency Agreement.

Pursuant to the terms of the Trust Deed, the Trustee is exempted from any liability in respect of any loss or theft or reduction in value of the Collateral, from any obligation to insure the Collateral and from any claim arising from the fact that the Collateral is held in a clearing system or in safe custody by the Custodian, a bank or other custodian. The Trustee has no responsibility for ensuring that the Custodian or the Account Bank satisfies the Rating Requirement applicable to it or, in the event of its failure to satisfy such Rating Requirement, to procure the appointment of a replacement custodian or account bank. The Trustee has no responsibility for the management of the Portfolio by the Collateral Manager or to supervise the administration of the Portfolio by the Collateral Administrator or by any other party and is entitled to rely on the certificates or notices of any relevant party without

further enquiry and without liability. The Trust Deed also provides that the Trustee shall accept without investigation, requisition or objection such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Collateral and is not bound to make any investigation into the same or into the Collateral in any respect.

(b) Application of Proceeds upon Enforcement

The Trust Deed provides that the net proceeds of realisation of, or enforcement with respect to the security over, the Collateral constituted by the Trust Deed, shall be applied in accordance with the Post-Acceleration Priority of Payments set out in Condition 11 (*Enforcement*).

(c) Limited Recourse and Non-Petition

The obligations of the Issuer to pay amounts due and payable in respect of the Notes and to the other Secured Parties at any time shall be limited to the proceeds available at such time to make such payments in accordance with the Priorities of Payments. If the net proceeds of realisation of the security constituted by the Trust Deed, upon enforcement thereof in accordance with Condition 11 (*Enforcement*) and the provisions of the Trust Deed are less than the aggregate amount payable in such circumstances by the Issuer in respect of the Notes and to the other Secured Parties (such negative amount being referred to herein as a "**shortfall**"), the obligations of the Issuer in respect of the Notes of each Class and its obligations to the other Secured Parties in such circumstances will be limited to such net proceeds, which shall be applied in accordance with the Priorities of Payments. In such circumstances, the other assets (including the Issuer Irish Account and its rights under the Corporate Services Agreement) of the Issuer will not be available for payment of such shortfall which shall be borne by the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Subordinated Noteholders and the other Secured Parties in accordance with the Priorities of Payments (applied in reverse order). The rights of the Secured Parties (including the Noteholders) to receive any further amounts in respect of such obligations shall be extinguished and none of the Noteholders of each Class or the other Secured Parties may take any further action to recover such amounts. None of the Noteholders of any Class, the Trustee or the other Secured Parties (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency, examinership, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer relating to the Notes of any Class, the Trust Deed or otherwise owed to the Secured Parties, save for lodging a claim in the liquidation of the Issuer which is initiated by another non-Affiliated party or taking proceedings to obtain a declaration as to the obligations of the Issuer and without limitation to the Trustee's right to enforce and/or realise the security constituted by the Trust Deed (including by appointing a receiver, an administrator or an administrative receiver).

None of the Trustee, the Placement Agent, the Collateral Manager, nor any Agent has any obligation to any Noteholder of any Class for payment of any amount by the Issuer in respect of the Notes of any Class.

(d) Exercise of Rights in Respect of the Portfolio

Pursuant to the Collateral Management Agreement, the Issuer authorises the Collateral Manager, prior to enforcement of the security over the Collateral, to exercise all rights and remedies of the Issuer in its capacity as a holder of, or person beneficially entitled to, the Portfolio. In particular, the Collateral Manager is authorised, subject to any specific direction given by the Issuer, to attend and vote at any meeting of holders of, or other persons interested or participating in, or entitled to the rights or benefits (or a part thereof) under, the

Portfolio and to give any consent, waiver, indulgence, time or notification, make any declaration or agree any composition, compounding or other similar arrangement with respect to any obligations forming part of the Portfolio.

(e) Information Regarding the Collateral

The Issuer shall procure that a copy of each Monthly Report and any Payment Date Report is made available within two Business Days of publication, to each Noteholder of each Class upon request in writing therefor and that copies of each such Report are made available to the Trustee, the Collateral Manager, each Hedge Counterparty, and the Rating Agencies within two Business Days of publication thereof.

5. Covenants of and Restrictions on the Issuer

(a) Covenants of the Issuer

Unless otherwise provided in the Trust Deed, the Issuer covenants to the Trustee on behalf of the holders of the Notes that, for so long as any Note remains Outstanding, the Issuer will:

(i) take such steps as are reasonable to enforce all its rights:

(A) under the Trust Deed;

(B) respect of the Collateral;

(C) under the Agency Agreement;

(D) under the Collateral Management Agreement;

(E) under the Corporate Services Agreement;

(F) under the Collateral Acquisition Agreements;

(G) under the Retention Letter; and

(H) under any Hedge Agreements;

(ii) comply with its obligations under the Notes, the Trust Deed, the Agency Agreement, the Collateral Management Agreement and each other Transaction Document to which it is a party;

(iii) keep proper books of account;

(iv) all times maintain its tax residence outside the United Kingdom and the United States and will not establish a branch, agency (other than the appointment of the Collateral Manager and the Collateral Administrator pursuant to the Collateral Management Agreement) or place of business (save for the activities conducted by the Collateral Manager on its behalf) or register as a company in the United Kingdom or the United States;

(v) pay its debts generally as they fall due;

(vi) do all such things as are necessary to maintain its corporate existence;

(vii) use its best endeavours to obtain and maintain the listing on the Main Securities Market of the outstanding Notes of each Class. If, however, it is unable to do so, having used such endeavours, or if the maintenance of such listings are agreed by the Trustee to be unduly onerous and the Trustee is satisfied that the interests of the holders of the Outstanding Notes of each Class would not thereby be materially prejudiced, the Issuer will instead use all reasonable endeavours promptly to obtain and thereafter to maintain a

listing for such Notes on such other stock exchange(s) as it may (with the prior written approval of the Trustee, such approval not to be unreasonably withheld) decide provided that any such other stock exchange is a recognised stock exchange for the purposes of Section 64 of the Taxes Consolidation Act 1997 (as amended);

(viii) supply such information to the Rating Agencies as they may reasonably request;

(ix) ensure that its "centre of main interests" (as that term is referred to in article 3(1) of Council Regulation (EC) No. 1346/2000 on Insolvency Proceedings) and its tax residence is and remains at all times in Ireland; and

(x) ensure an agent is appointed to assist in enabling the Rating Agencies to comply with Rule 17g-5 in respect of the Issuer and the Notes.

(b) Restrictions on the Issuer

For so long as any of the Notes remain Outstanding, save as contemplated in the Transaction Documents, the Issuer covenants to the holders of such Outstanding Notes that (to the extent applicable) it will not, without the prior written consent of the Trustee:

(i) sell, factor, discount, transfer, assign, lend or otherwise dispose of any of its right, title or interest in or to the Collateral, other than in accordance with the Collateral Management Agreement, nor will it create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over the Collateral except in accordance with the Trust Deed, these Conditions or the Transaction Documents;

(ii) sell, factor, discount, transfer, assign, lend or otherwise dispose of, nor create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over, any of its other property or assets or any part thereof or interest therein other than in accordance with the Trust Deed, these Conditions or the Transaction Documents;

(iii) engage in any business other than:

(A) acquiring and holding any property, assets or rights that are capable of being effectively secured in favour of the Trustee or that are capable of being held on trust by the Issuer in favour of the Trustee under the Trust Deed;

(B) issuing and performing its obligations under the Notes;

(C) entering into, exercising its rights and performing its obligations under or enforcing its rights under the Trust Deed, the Agency Agreement, the Collateral Management Agreement and each other Transaction Document to which it is a party, as applicable; or

(D) performing any act incidental to or necessary in connection with any of the above;

(iv) agree to any amendment to any term or Condition of the Notes of any Class (save in accordance with these Conditions and the Trust Deed);

(v) agree to any amendment to any provision of, or grant any waiver or consent under the Trust Deed, the Agency Agreement, the Collateral Management Agreement, the Corporate Services Agreement or any other Transaction Document to which it is a party;

(vi) incur any indebtedness for borrowed money, other than in respect of:

(A) the Notes (including the issuance of additional Notes pursuant to Condition 17 (*Additional Issuance*)) or any document entered into in connection with the Notes or the sale thereof or any additional Notes or the sale thereof;

(B) any Refinancing; or

(C) as otherwise contemplated or permitted pursuant to the Trust Deed, the Collateral Management Agreement or the other Transaction Documents;

(vii) amend its constitutional documents (save where such amendment is made to reflect a change in the name of the Issuer or otherwise as may be preferable to ensure the Issuer's compliance with such applicable law or its good corporate governance thereunder);

(viii) have any subsidiaries or establish any offices, branches or other "establishment" (as that term is used in article 2(h) of Council Regulation (EC) No. 1346/2000 on Insolvency Proceedings) outside of Ireland;

(ix) have any employees (for the avoidance of doubt the directors of the Issuer do not constitute employees);

(x) enter into any reconstruction, amalgamation, merger or consolidation;

(xi) convey or transfer all or a substantial part of its properties or assets (in one or a series of transactions) to any person, otherwise than as contemplated in these Conditions and except for dividends payable to the Share Trustee;

(xii) issue any shares (other than such share as is in issue as at the Issue Date) nor redeem or purchase any of its issued share capital;

(xiii) enter into any material agreement or contract with any Person (other than an agreement on customary market terms which for the avoidance of doubt will include agreements to buy and sell obligations and documentation relating to restructurings (including steering committee indemnity letters)), which terms do not contain the "limited recourse" and "non-petition" provisions described in this paragraph (xi)) unless such contract or agreement contains "limited recourse" and "non-petition" provisions and such Person agrees that, prior to the date that is one year and one day after all the related obligations of the Issuer have been paid in full (or, if longer, the applicable preference period under applicable insolvency law), such Person shall not take any action or institute any proceeding against the Issuer under any insolvency law applicable to the Issuer or which would reasonably be likely to cause the Issuer to be subject to or seek protection of, any such insolvency law; *provided that* such Person shall be permitted to become a party to and to participate in any proceeding or action under any such insolvency law that is initiated by any other Person other than one of its Affiliates;

(xiv) otherwise than as contemplated in the Transaction Documents, release from or terminate the appointment of the Custodian or the Account Bank under the Agency Agreement, the Collateral Manager or the Collateral Administrator under the Collateral Management Agreement (including, in each case, any transactions entered into thereunder) or, in each case, from any executory obligation thereunder;

(xv) commingle its assets with those of any other Person or entity;

(xvi) enter into any lease in respect of, or own, premises;

(xvii) acquire Collateral Debt Obligations, Collateral Enhancement Debt Obligations or any other obligations or securities issued by its partners or shareholders (if any); or

(xviii) act as an entity that issues notes to investors and uses the proceeds to grant new loans on its own account, but will purchase loans from another lender and therefore is not considered a first lender (for the purpose of Regulation (EU) No 1075/2013 of the European Central Bank).

6. Interest

(a) Payment Dates

(i) Rated Notes

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes each bear interest from (and including) the Issue Date and such interest will be payable quarterly prior to the occurrence of a Frequency Switch Event and semi-annually following the occurrence of a Frequency Switch Event (or, in the case of interest accrued during the initial Accrual Period, for the period from (and including) the Issue Date to (but excluding) the Payment Date falling in February 2030 or if, following the occurrence of a Frequency Switch Event, the Accrual Period ending on the Maturity Date is a three month period, the Calculation Agent will determine the offered rate for three month Euro deposits in the case of the Interest Determination Date relating to such period) in arrear on each Payment Date.

(ii) Subordinated Notes

Interest shall be payable on the Subordinated Notes to the extent funds are available in accordance with paragraph (BB) of the Interest Proceeds Priority of Payments, paragraph (S) of the Principal Proceeds Priority of Payments and paragraph (Z) of the Post-Acceleration Priority of Payments on each Payment Date and shall continue to be payable in accordance with this Condition 6 (*Interest*) notwithstanding redemption in full of any Subordinated Note at its applicable Redemption Price.

Notwithstanding any other provision of these Conditions or the Trust Deed, all references herein and therein to the Subordinated Notes and the Subordinated Notes being redeemed in full or at their Principal Amount Outstanding shall be deemed to be amended to the extent required to ensure that a minimum of €1 principal amount of each such Class of Notes remains Outstanding at all times and any amounts which are to be applied in redemption of each such Class of Notes pursuant hereto which are in excess of the Principal Amount Outstanding thereof *minus* €1, shall constitute interest payable in respect of such Notes and shall not be applied in redemption of the Principal Amount Outstanding thereof, *provided always however that* such €1 principal shall no longer remain Outstanding and each such Class of Notes shall be redeemed in full on the date on which all of the Collateral securing the Notes has been realised and is to be finally distributed to the Noteholders.

If the aggregate of income and gains earned by the Issuer during an accounting period exceeds the costs and expenses accrued for that period, such excess shall accrue as additional interest on the Subordinated Notes but shall only be payable on any Payment Date following payment in full of amounts payable pursuant to the Priorities of Payments on such Payment Date.

(b) Interest Accrual

(i) Interest Accrual

Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 6 (*Interest*) (both before and after judgment) until whichever is the earlier of (A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (B) the day following seven days after the Trustee or the Principal Paying Agent has notified the Noteholders of such Class of Notes in accordance with Condition 16 (*Notices*) of receipt of all sums due in respect of all the Notes of such Class

up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

(ii) Subordinated Notes

Payments on the Subordinated Notes will cease to be payable in respect of each Subordinated Note upon the date that all of the Collateral has been realised and no Interest Proceeds or Principal Proceeds remain available for distribution in accordance with the Priorities of Payments.

(c) Deferral of Interest

(i) Deferred Interest

For so long as any of the Class A Notes and/or Class B Notes remain Outstanding, the Issuer shall, and shall only be obliged to (following the occurrence of a Frequency Switch Event and provided that the respective Class of Notes is the Controlling Class), pay any Interest Amount payable in respect of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes in full on any Payment Date, in each case to the extent that there are Interest Proceeds or Principal Proceeds available for payment thereof in accordance with the Priorities of Payments.

In the case of the Class C Notes, the Class D Notes, the Class E Notes or Class F Notes, for so long as any of the Class A Notes and the Class B Notes remain Outstanding, an amount of interest equal to any shortfall in payment of the Interest Amount which would, but for the first paragraph of this Condition 6(c) (*Deferral of Interest*) otherwise be due and payable in respect of such Class of Notes on any Payment Date (each such amount being referred to as "**Deferred Interest**") will not be payable on such Payment Date, but will be added to the principal amount of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, and thereafter will accrue interest at the rate of interest applicable to that Class of Notes, and the failure to pay such Deferred Interest to the holders of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, will not be a Note Event of Default until the Maturity Date or any earlier date when the Notes are redeemed in full, *provided always however that*, if the relevant Class is the then Controlling Class and a Frequency Switch Event has occurred, Deferred Interest shall not be added to the principal amount of such Class and failure to pay any Interest Amount due and payable on such Class within five Business Days (or seven Business Days, after the Issuer, Collateral Administrator and/or Principal Paying Agent receive written notice or have actual knowledge thereof, due to an administrative error or omission in accordance with Condition 10(a) (*Note Events of Default*)) of the Payment Date in full will constitute a Note Event of Default; *provided that* no Note Event of Default shall occur in the circumstances set out in this paragraph as the result of (i) the failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions or, in the case of an Optional Redemption, with respect to which a Refinancing fails; and/or (ii) any deduction from such Interest Amounts or the imposition of any withholding tax thereon as set out in Condition 9 (*Taxation*).

(ii) Accrual of Interest

Interest will cease to accrue on each Note, or in the case of a partial repayment, on such part, from the date of repayment or the Maturity Date unless payment of principal is improperly withheld or unless default is otherwise made with respect to such payment of principal.

(d) Payment of Deferred Interest

Deferred Interest in respect of any Class C Note, Class D Note, Class E Note or Class F Note shall only become payable by the Issuer in accordance with, respectively, paragraph (K), (N), (Q) and (T) of the Interest Proceeds Priority of Payments, paragraph (C), (F), (I) and (L) of the Principal Proceeds Priority of Payments and paragraph (K), (N), (Q) and (T) of the Post-Acceleration Priority of Payments and under the Note Payment Sequence in each place specified in the Priorities of Payments, to the extent that Interest Proceeds or Principal Proceeds, as applicable, are available to make such payment in accordance with the Priorities of Payments (and, if applicable, the Note Payment Sequence). For the avoidance of doubt, unless and until they are the Controlling Class and a Frequency Switch Event has occurred, Deferred Interest on the Class C Notes and/or the Class D Notes and/or the Class E Notes and/or the Class F Notes, as applicable will be added to the principal amount of the Class C Notes and/or the Class D Notes and/or the Class E Notes and/or Class F Notes, as applicable. An amount equal to any such Deferred Interest so paid shall be subtracted from the principal amount of the Class C Notes and/or the Class D Notes and/or the Class E Notes and/or Class F Notes, as applicable.

(e) Interest on the Notes

(i) Floating Rate of Interest

The rate of interest from time to time in respect of the Class A-1 Notes (the "**Class A-1 Floating Rate of Interest**"), in respect of the Class B-1 Notes (the "**Class B-1 Floating Rate of Interest**"), in respect of the Class C Notes (the "**Class C Floating Rate of Interest**"), in respect of the Class D Notes (the "**Class D Floating Rate of Interest**"), in respect of the Class E Notes (the "**Class E Floating Rate of Interest**") and in respect of the Class F Notes (the "**Class F Floating Rate of Interest**") (and each a "**Floating Rate of Interest**") will be determined by the Calculation Agent on the following basis:

(A) On each Interest Determination Date:

(1) in the case of the initial Accrual Period, the Calculation Agent will determine a straight line interpolation of the offered rate for six and nine month Euro deposits; and

(2) in the case of each Interest Determination Date, other than the initial Interest Determination Date and prior to the occurrence of a Frequency Switch Event, the Calculation Agent will determine (i) the offered rate for six month Euro deposits; and (ii) the offered rate for three month Euro deposits; and

(3) in the case of each Interest Determination Date following the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for six month Euro deposits (provided that, following the occurrence of a Frequency Switch Event, if the Accrual Period ending on the Maturity Date is a three month period, the Calculation Agent will determine the offered rate for three month Euro deposits in the case of the Interest Determination Date relating to such period),

in each case, as at 11.00 am (Brussels time) on the Interest Determination Date in question ("**EURIBOR**") provided that for each Floating Rate of Interest, the relevant EURIBOR rate shall be subject to a floor of zero. Such offered rate will be that which appears on the display designated on the Bloomberg Screen "BTMM EU" Page (or such other page or service as may replace it for the purpose of displaying EURIBOR rates). The Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest for such

Accrual Period shall be the aggregate of the Applicable Margin (as defined below) and, in respect of (i) the initial Accrual Period, the rate referred to in paragraph (1) above; (ii) each six month Accrual Period, the rate referred to in paragraph (2)(i) or the six month rate referred to in paragraph (3) above (as applicable); and (iii) each three month Accrual Period, the rate referred to in paragraph (2)(ii) or the three month rate referred to in paragraph (3) above (as applicable), in each case as determined by the Calculation Agent.

(B) If the offered rate so appearing is replaced by the corresponding rates of more than one bank then paragraph (A) shall be applied, with any necessary consequential changes, to the arithmetic mean (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of the rates (being at least two) which so appear, as determined by the Calculation Agent. If for any other reason such offered rate does not so appear, or if the relevant page is unavailable, the Calculation Agent will request each of four major banks in the Euro zone interbank market (the "**Reference Banks**") to provide the Calculation Agent with:

(1) the case of the initial Accrual Period, a straight line interpolation of the offered quotation for six and nine month Euro deposits; and

(2) in respect of each Interest Determination Date, other than the initial Interest Determination Date and prior to the occurrence of a Frequency Switch Event, such offered rate for a period of (i) six months; and (ii) three months; and

(3) in respect of each Interest Determination Date following the occurrence of a Frequency Switch Event, such offered rate for a period of six months (or for a period of three months, in respect of the Interest Determination Date following the occurrence of a Frequency Switch Event and relating to the Accrual Period ending on the Maturity Date, if such Accrual Period is a three month period),

in each case, as at 11.00 am (Brussels time) on the Interest Determination Date in question and subject to a floor of zero. The Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest for such Accrual Period shall be the aggregate of the Applicable Margin (if any) and the arithmetic mean, in each case, (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of, in respect of (i) the initial Accrual Period, the quotations referred to in paragraph (1) above; (ii) each six month Accrual Period, the quotations referred to in paragraph (2)(i) or the quotations for the six month rate referred to in paragraph (3) above (as applicable); and (iii) each three month period Accrual Period, the quotations referred to in paragraph (2)(ii) or the quotations for the three month rate referred to in paragraph (3) above (as applicable) (or of such quotations, being at least two, as are so provided), all as determined by the Calculation Agent.

(C) If on any Interest Determination Date one only or none of the Reference Banks provides such quotation, the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest, respectively, for the next Accrual Period shall be the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest, in each case in effect as at the immediately preceding Accrual Period; provided that in respect of any Accrual Period during

which a Frequency Switch Event occurs, the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest shall be calculated using the offered rate for six month Euro deposits using the rate available as at the previous Interest Determination Date; and provided further that following the occurrence of a Frequency Switch Event in respect of the Accrual Period ending on the Maturity Date if such Accrual Period is a three month period, the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest shall be calculated using the offered rate for three month Euro deposits using the most recent rate obtainable by the Calculation Agent in its reasonable opinion.

(D) Where:

"**Applicable Margin**" means:

(1) in the case of the Class A-1 Notes: 0.96 per cent. per annum (the "**Class A-1 Margin**");

(2) in the case of the Class B-1 Notes: 1.55 per cent. per annum (the "**Class B-1 Margin**");

(3) in the case of the Class C Notes: 2.35 per cent. per annum (the "**Class C Margin**");

(4) in the case of the Class D Notes: 3.60 per cent. per annum (the "**Class D Margin**");

(5) in the case of the Class E Notes: 6.20 per cent. per annum (the "**Class E Margin**"); and

(6) in the case of the Class F Notes: 7.30 per cent. per annum (the "**Class F Margin**").

(ii) Determination of Floating Rate of Interest and Calculation of Interest Amount

The Calculation Agent will, as soon as practicable after 11.00 am (Brussels time) on each Interest Determination Date, (and in any event (i) for each Accrual Period following the occurrence of a Frequency Switch Event, not later than the Business Day following the relevant Interest Determination Date; and (ii) for each Accrual Period prior to the occurrence of a Frequency Switch Event and for any Accrual Period during which a Frequency Switch Event occurs, not later than the Determination Date immediately preceding the relevant Payment Date) determine the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest and calculate the interest amount payable in respect of original principal amounts of the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The amount of interest (an "**Interest Amount**") payable in respect of each Authorised Integral Amount applicable to any such Notes shall be calculated by applying the Class A-1 Floating Rate of Interest in the case of the Class A-1 Notes, the Class B-1 Floating Rate of Interest in the case of the Class B-1 Notes, the Class C Floating Rate of Interest in the case of the Class C Notes, the Class D Floating Rate of Interest in the case of the Class D Notes, the Class E Floating Rate of Interest in the case of the Class E Notes and the Class

F Floating Rate of Interest in the case of the Class F Notes, respectively, to an amount equal to the Principal Amount Outstanding in respect of such Authorised Integral Amount, multiplying the product by the actual number of days in the Accrual Period concerned, divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards).

(iii) Reference Banks and Calculation Agent

The Issuer will procure that, so long as any Class A-1 Note, Class B-1 Note, Class C Note, Class D Note, Class E Note or Class F Notes remains Outstanding:

(A) a Calculation Agent shall be appointed and maintained for the purposes of determining the interest rate and interest amount payable in respect of the Notes; and

(B) in the event that the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest are to be calculated by Reference Banks pursuant to paragraph (B) of Condition 6(e)(i) (*Floating Rate of Interest*), that the number of Reference Banks required pursuant to such paragraph (2) are appointed.

If the Calculation Agent is unable or unwilling to continue to act as the Calculation Agent for the purpose of calculating interest hereunder or fails duly to establish any applicable Floating Rate of Interest for any Accrual Period, or to calculate the Interest Amount on any Class of Rated Notes, the Issuer shall (with the prior approval of the Trustee) appoint some other leading bank to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

(iv) Interest Proceeds in respect of Fixed Rate Notes

The Calculation Agent will calculate the Interest Amount payable in respect of the Class A-2 Notes and the Class B-2 Notes for the relevant Accrual Period by applying the Class A-2 Fixed Rate of Interest or the Class B-2 Fixed Rate of Interest, as applicable, to an amount equal to the Principal Amount Outstanding of the Class A-2 Notes or the Class B-2 Notes, as applicable, multiplying the product by the number of days in the Accrual Period concerned (the number of days to be calculated on the basis of a year of 360 days with 12 months of 30 days each), divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards), where:

"**Class A-2 Fixed Rate of Interest**" means 1.10 per cent. per annum; and

"**Class B-2 Fixed Rate of Interest**" means 1.78 per cent. per annum.

(v) Interest Proceeds in respect of Subordinated Notes

Solely in respect of Subordinated Notes, the Calculation Agent will on each Determination Date calculate the Interest Proceeds payable to the extent of available funds in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The Interest Proceeds payable on each Payment Date in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto shall be calculated by multiplying the amount of Interest Proceeds to be applied on the Subordinated Notes on the applicable Payment Date pursuant to paragraph (BB) of the Interest Proceeds Priority of Payments, paragraph (S) of the Principal Proceeds Priority of Payments and paragraph (Z) of the Post-Acceleration Priority of Payments by

fractions equal to the amount of such Authorised Integral Amount, as applicable, divided by the aggregate original principal amount of the Subordinated Notes.

(vi) Publication of Floating Rates of Interest, Interest Amounts and Deferred Interest

The Calculation Agent will cause the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest or the Interest Amounts payable in respect of each Class of Rated Notes, the amount of any Deferred Interest due but not paid on any Class C Notes, Class D Notes, Class E Notes or Class F Notes for each Accrual Period and Payment Date and the Principal Amount Outstanding of each Class of Notes as of the applicable Payment Date to be notified to the Registrar, the Principal Paying Agent, the Transfer Agent, the Trustee and the Collateral Manager, for so long as the Notes are listed on the regulated market of the Main Securities Market, the Irish Stock Exchange, as soon as possible after their determination but in no event later than the fourth Business Day thereafter, and the Principal Paying Agent shall cause each such rate, amount and date and the occurrence of any Frequency Switch Event, to be notified to the Noteholders of each Class in accordance with Condition 16 (*Notices*) as soon as possible following notification to the Principal Paying Agent but in no event later than the third Business Day after such notification. The Interest Amounts in respect of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes or the Payment Date in respect of any Class of Notes so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Accrual Period. If any of the Notes become due and payable under Condition 10(a) (*Note Events of Default*), interest shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this Condition 6 (*Interest*) but no publication of the applicable Interest Amounts shall be made unless the Trustee so determines.

(f) Determination or Calculation by Trustee

If the Calculation Agent does not at any time for any reason so calculate the Class A-1 Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest or the Class F Floating Rate of Interest for an Accrual Period, the Trustee (or a person appointed by it for the purpose) shall do so and such determination or calculation shall be deemed to have been made by the Calculation Agent and shall be binding on the Noteholders. In doing so, the Trustee, or such person appointed by it, shall apply the foregoing provisions of this Condition 6 (*Interest*), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances and reliance on such persons as it has appointed for such purpose. The Trustee shall have no liability to any person in connection with any determination or calculation (including with regard to the timelines thereof) it is required to make pursuant to this Condition 6(f) (*Determination or Calculation by Trustee*).

(g) Notifications, etc. to be Final

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6 (*Interest*), whether by the Reference Banks (or any of them), the Calculation Agent or the Trustee, will be binding on the Issuer, the Reference Banks, the Calculation Agent, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders, save in the case that the Issuer certifies that any such notification, opinion, determination, certificate, quotation and decision is erroneous and the Issuer publishes a correction in accordance with Condition 16 (*Notices*), *provided that* the Trustee shall be under no obligation actively to

monitor any such notifications, opinions, determinations, certificates, quotations and decisions for such errors. No liability to the Issuer or the Noteholders of any Class shall attach to the Reference Banks, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by them of their powers, duties and discretions under this Condition 6 (*Interest*).

7. Redemption and Purchase

(a) Final Redemption

Save to the extent previously redeemed in full and cancelled, the Notes of each Class will be redeemed on the Maturity Date of such Notes. In the case of a redemption pursuant to this Condition 7(a) (*Final Redemption*), the Rated Notes will be redeemed at their Redemption Price in accordance with the Note Payment Sequence and the Subordinated Notes will be redeemed at the amount equal to their share of the amounts of Principal Proceeds to be applied towards such redemption pursuant to paragraph (S) of the Principal Proceeds Priority of Payments. Notes may not be redeemed other than in accordance with this Condition 7 (*Redemption and Purchase*).

(b) Optional Redemption

(i) Optional Redemption in Whole - Subordinated Noteholders or Collateral Manager

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(viii) (*Optional Redemption in whole of all Classes of Notes effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices from Sale Proceeds or any Refinancing Proceeds (or a combination thereof):

(A) on any Payment Date (or, with the Collateral Manager's consent, any Business Day) falling on or after the expiry of the Non-Call Period at the direction of the Subordinated Noteholders acting by an Ordinary Resolution or at the written direction of the Collateral Manager (with the consent of the Subordinated Noteholders, acting independently, by Ordinary Resolution) (as evidenced by duly completed Redemption Notices); or

(B) upon the occurrence of a Collateral Tax Event, on any Payment Date (or, with the Collateral Manager's consent, any Business Day) falling after such occurrence at the direction of the Subordinated Noteholders acting by Ordinary Resolution or at the written direction of the Collateral Manager (with the consent of the Subordinated Noteholders, acting independently, by Ordinary Resolution) (as evidenced by duly completed Redemption Notices).

(ii) Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Collateral Manager

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), and Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), the Rated Notes of any Class may be redeemed by the Issuer at the applicable Redemption Prices, solely from Refinancing Proceeds (in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below) on any Payment Date (or, with the Collateral Manager's consent, any Business Day) falling on or after expiry of the Non-Call Period at the direction of the Subordinated Noteholders acting by Ordinary Resolution or at the written direction of the Collateral Manager (provided the Subordinated Noteholders have not, acting independently by Ordinary Resolution, objected to such redemption within 10 Business

Days of notice of such redemption being given to Noteholders in accordance with Condition 16 (*Notices*)) (as evidenced by duly completed Redemption Notices) or as the Issuer (or the Collateral Manager acting on its behalf by written direction) determines. No such Optional Redemption may occur unless any Class of Rated Notes to be redeemed represents the entire Class of such Rated Notes.

(iii) Optional Redemption in Whole - Collateral Manager Clean-up Call

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(viii) (*Optional Redemption in whole of all Classes of Notes effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer, at the applicable Redemption Prices, from Sale Proceeds on any Business Day falling on or after expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period, the Aggregate Collateral Balance is less than 20 per cent. of the Target Par Amount and if directed in writing by the Collateral Manager.

(iv) Terms and Conditions of an Optional Redemption

In connection with any Optional Redemption:

(A) the Issuer shall procure that at least 30 days' or, in the case of Refinancing in relation to a redemption of the Rated Notes in part by Class, 10 days' (or such shorter period of time as may be agreed between the Trustee and the Collateral Manager, (with regard to the Collateral Manager only, acting reasonably)) prior written notice of such Optional Redemption, including the applicable Redemption Date, and the relevant Redemption Price therefor, is given to the Collateral Manager, the Trustee and the Noteholders in accordance with Condition 16 (*Notices*);

(B) the Rated Notes to be redeemed shall be redeemed at their applicable Redemption Prices (subject, in the case of an Optional Redemption of all Classes of the Rated Notes in whole, to the right of holders of 100 per cent. of the aggregate Principal Amount Outstanding of any Class of Rated Notes to elect to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to the holders of such Class of Rated Notes). Such right shall be exercised by delivery by each holder of the relevant Class of Rated Notes of a written direction confirming such holder's election to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to it, together with evidence of their holding to the Issuer, the Trustee and the Collateral Manager no later than 30 days (or such shorter period of time as may be agreed between the Trustee and the Collateral Manager, (with regard to the Collateral Manager only, acting reasonably)) prior to the relevant Redemption Date;

(C) the Collateral Manager shall have no right or other ability under the Collateral Management Agreement (but without prejudice to its rights in respect of any Subordinated Notes which it or its Affiliates may hold) to prevent an Optional Redemption directed by the Subordinated Noteholders in accordance with this Condition 7(b) (*Optional Redemption*);

(D) any such redemption must comply with the procedures set out in Condition 7(b)(vii) (*Mechanics of Redemption*); and

(E) any redemption in part of the Notes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Collateral Manager*) may be effected solely from Refinancing Proceeds in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below.

(v) Optional Redemption effected in whole or in part through Refinancing

Following receipt of, or as the case may be, confirmation from the Registrar of receipt of (i) a direction in writing from the requisite percentage of Subordinated Noteholders; or (ii) a direction in writing from the Collateral Manager, as the case may be, to exercise any right of optional redemption pursuant to Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Collateral Manager*) or Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Collateral Manager*), the Issuer may:

(A) in the case of a redemption in whole of all Classes of Rated Notes in accordance with Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Collateral Manager*) (1), enter into a loan (as borrower thereunder) with one or more financial institutions; or (2) issue replacement notes; and

(B) in the case of a redemption in part of the entire Class of a Class of Rated Notes in accordance with Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Collateral Manager*) issue replacement notes,

(each, a "**Refinancing Obligation**"), whose terms in each case will be negotiated by the Collateral Manager on behalf of the Issuer (any such refinancing, a "**Refinancing**"). The terms of any Refinancing (including any extension of the Maturity Date of the Subordinated Notes, any extension or reinstatement of the Non-Call Period and any extension to the Weighted Average Life Test, and any consequential amendments) are subject to the prior written consent of the Collateral Manager and the Subordinated Noteholders (notwithstanding Condition 14(b) (*Decisions and Meetings of Noteholders*) in relation to the Subordinated Noteholders only (acting by Ordinary Resolution)) and each Refinancing is required to satisfy the conditions described in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

Refinancing Proceeds shall be applied in addition to (or in place of) Sale Proceeds in the redemption of the Rated Notes in whole pursuant to Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Collateral Manager*). In addition, Refinancing Proceeds may be applied in the redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Collateral Manager*).

In connection with a Refinancing pursuant to Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Collateral Manager*), if directed in writing by the Subordinated Noteholders (acting by Ordinary Resolution) and consented to by the Collateral Manager, the Collateral Manager may designate Principal Proceeds as Interest Proceeds in an amount not to exceed the Excess Par Amount *provided that* the Collateral Manager shall give notice to each Rating Agency of such designated amount.

(vi) Refinancing in relation to a Redemption in Whole

(A) In the case of a Refinancing in relation to the redemption of all Classes of the Rated Notes in whole but not in part pursuant to Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Collateral Manager*) as described above, such Refinancing will be effective only if:

(1) the Issuer has received the prior written consent of the Collateral Manager to such Refinancing;

(2) the Issuer provides prior written notice thereof to the Rating Agencies;

(3) all Refinancing Proceeds, all Sale Proceeds, if any, from the sale of Collateral Debt Obligations and Eligible Investments and all other available funds will be at least sufficient to pay any Refinancing Costs and all amounts due and payable in respect of all Classes of Notes save for the Subordinated Notes (including without limitation Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) and all amounts payable in priority thereto pursuant to the Priorities of Payments (subject to any election to receive less than 100 per cent. of Redemption Price) on such Redemption Date when applied in accordance with the Post-Acceleration Priority of Payments;

(4) all Principal Proceeds, Refinancing Proceeds, Sale Proceeds, if any, and other available funds are used (to the extent necessary) to make such redemption;

(5) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed; and

(6) all Refinancing Proceeds and all Sale Proceeds, if any, from the sale of Collateral Debt Obligations and Eligible Investments, are received by (or on behalf of) the Issuer prior to the applicable Redemption Date; and

(7) any issuance of replacement notes would not result in non-compliance by the Collateral Manager with the EU Retention Requirements and/or the U.S. Risk Retention Rules,

in each case, as certified to the Issuer and the Trustee by the Collateral Manager (upon which certification the Trustee shall be entitled to rely without enquiry and without liability).

(B) Refinancing in relation to a Redemption in Part of a Class or Classes of Notes in whole

In the case of a Refinancing in relation to a redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders or Collateral Manager*), such Refinancing will be effective only if:

(1) the Issuer has received the prior written consent of the Collateral Manager to such Refinancing;

(2) the Issuer provides prior written notice thereof to the Rating Agencies;

(3) the Refinancing Obligations are in the form of notes;

(4) any redemption of a Class of Notes is a redemption of the entire Class which is subject to the redemption;

(5) the sum of (A) the Refinancing Proceeds, (B) the amount of Interest Proceeds standing to the credit of the Interest Account available in accordance with the Interest Proceeds Priority of Payments to pay the accrued interest portion of the applicable Redemption Price and Refinancing Costs and (C) the amount standing to the credit of the Expense Reserve Account (including any Refinancing Expense Reserve Amounts standing to the credit of the Refinancing Expense Reserve Sub-Account) will be at least sufficient to pay in full:

(a) the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption; *plus*

(b) all Refinancing Costs;

(6) the Refinancing Proceeds are used (to the extent necessary) to make such redemption;

(7) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed;

(8) the aggregate principal amount of the Refinancing Obligations in respect of each Class of Notes being redeemed is equal to the aggregate Principal Amount Outstanding of the relevant Class of Notes being redeemed with the Refinancing Proceeds;

(9) the maturity date of each class of Refinancing Obligation is the same as the Maturity Date of the Class or Classes of Notes being redeemed with the Refinancing Proceeds;

(10) the Applicable Margin (in the case of any Floating Rate Note) or fixed rate (in the case of any Fixed Rate Note) of any Refinancing Obligations will not be greater than the Applicable Margin or fixed rate, as applicable, of the Class or Classes of Rated Notes subject to such Optional Redemption (unless such Classes of Refinancing Obligations have an Applicable Margin (or fixed rate, as applicable) not greater than the Classes of Rated Notes subject to such Optional Redemption on a weighted average basis across the relevant Classes; *provided that* such weighted averaging across such Classes shall apply separately across Classes of Floating Rate Notes and Classes of Fixed Rate Notes) and, in respect of any Floating Rate Note, the rate of interest in respect thereof shall be determined on the same basis as set out in Condition 6(e)(i) (*Floating Rate of Interest*) determined unless, in each case, Rating Agency Confirmation from Fitch and Moody's is obtained;

(11) payments in respect of the Refinancing Obligations are subject to the Priorities of Payments and rank at the same priority pursuant to the Priorities of Payments than the relevant Class or Classes of Rated Notes being redeemed;

(12) the currency of denomination, the frequency of payment of interest and principal, voting rights, consent rights, redemption rights and all other rights of the Refinancing Obligations (other than in respect of the Applicable Margin) are the same as the corresponding Class of Rated Notes being redeemed;

(13) all Refinancing Proceeds are received by (or on behalf of) the Issuer prior to the applicable Redemption Date; and

(14) any Refinancing of Floating Rate Notes shall be with Refinancing Obligations with a floating rate of interest and any Refinancing of Fixed Rate Notes shall be with Refinancing Obligations with a fixed rate of interest unless, in each case, Rating Agency Confirmation from Fitch and Moody's is obtained; and

(15) any issuance of replacement notes would not result in non-compliance by the Collateral Manager with the EU Retention Requirements and/or the U.S. Risk Retention Rules,

in each case, as certified to the Issuer and the Trustee by the Collateral Manager (upon which certification the Trustee shall be entitled to rely without enquiry and without liability).

If, in relation to a proposed optional redemption of the Notes, any of the conditions specified in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) are not satisfied, the Issuer shall cancel the relevant redemption of the Notes and shall give written notice of such cancellation to the Trustee, the Collateral Manager and the Noteholders in accordance with Condition 16 (*Notices*).

None of the Issuer, the Collateral Manager, the Collateral Administrator or the Trustee shall be liable to any party, including the Subordinated Noteholders, for any failure to obtain a Refinancing, and any such failure shall not constitute a Note Event of Default.

(vii) Consequential Amendments

Following a Refinancing, the Trustee shall agree to the modification of the Trust Deed and the other Transaction Documents to the extent which the Issuer certifies (upon which certification the Trustee shall be entitled to rely without enquiry and without liability) is necessary to reflect the terms of the Refinancing, subject to as provided below. No further consent for such amendments shall be required from the holders of Notes, other than from the holders of the Subordinated Notes acting by way of an Ordinary Resolution.

The Trustee will not be obliged to enter into any modification that, in its sole opinion, (i) would have the effect of exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties or decreasing the rights, powers, indemnities or protections of the Trustee under the Transaction Documents, and the Trustee will be entitled to conclusively rely upon an officer's certificate and/or opinion of counsel as to matters of law (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such opinion of counsel) provided by the Issuer or any other party to the Transaction Document to the effect that such amendment meets the requirements specified above and is permitted under the Trust Deed without the consent of the holders of the Notes (except that such officer or counsel will have no obligation to certify or opine as to the sufficiency of the Refinancing Proceeds).

(viii) Optional Redemption in whole of all Classes of Notes effected through Liquidation only

Following receipt of notice from the Issuer or, as the case may be, of confirmation from the Registrar of a direction in writing from the required party or requisite percentage of Noteholders, as the case may be, in accordance with Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders or Collateral Manager*) or Condition 7(g) (*Redemption following Note Tax Event*) or Condition 7(b)(iii) (*Optional Redemption in Whole - Collateral Manager Clean-up Call*), to exercise any right of optional redemption pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*) to be effected solely through the liquidation or realisation of the Collateral, the Collateral Administrator (in consultation with the Collateral Manager) shall, as soon as practicable, and in any event not later than 17 Business Days (or such shorter period of time as may be agreed between the Trustee, the Collateral Manager and the Collateral Administrator) prior to the scheduled Redemption Date (the "**Redemption Determination Date**"), *provided that* it has received such notice or confirmation at least 20 Business Days (or such shorter period of time as may be agreed between the Trustee, the Collateral Manager and the Collateral Administrator) prior to the scheduled Redemption Date, calculate the Redemption Threshold Amount in consultation with the Collateral Manager. The Collateral Manager or any of its Affiliates will be permitted to purchase Collateral Debt Obligations in the Portfolio where the Subordinated Noteholders exercise their right of early redemption pursuant to this Condition 7(b) (*Optional Redemption*).

The Notes shall not be optionally redeemed pursuant to this Condition 7(b)(viii) (*Optional Redemption in whole of all Classes of Notes effected through Liquidation only*) where such Optional Redemption is to be effected solely through the liquidation or realisation of the Portfolio unless:

(A) at least five Business Days (or such shorter period of time as may be agreed between the Issuer and the Collateral Manager and no consent for such shorter period shall be required from the Trustee) before the scheduled Redemption Date the Collateral Manager shall have furnished to the Trustee evidence in a form reasonably satisfactory to the Trustee that the Collateral Manager on behalf of the Issuer has entered into a binding agreement or agreements with a financial or other institution or institutions to purchase (directly or by participation or other arrangement) from the Issuer, not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Portfolio at a purchase price at least sufficient, together with the Eligible Investments maturing, redeemable or putable to the issuer thereof at par on or prior to the scheduled Redemption Date and (without duplication) the amounts standing to the credit of the Accounts which would be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for redemption in full on such Redemption Date, to meet the Redemption Threshold Amount; or

(B) (i) prior to selling any Collateral Debt Obligations and/or Eligible Investments, the Collateral Manager certifies to the Trustee (upon which certification the Trustee may rely without further enquiry and without liability) that, in its judgment, the aggregate sum of (A) expected proceeds from the sale of Eligible Investments, and (B) for each Collateral Debt Obligation, the product of its Principal Balance and its Market Value and (C) (without duplication) the amounts standing to the credit of the Accounts which would be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for redemption in full on such Redemption Date, shall be at least sufficient to meet the Redemption Threshold Amount; and (ii) at least five Business Days before the scheduled Redemption Date, the Issuer shall have received proceeds of disposition of all or part of the Portfolio at least sufficient, together with the Eligible Investments maturing, redeemable or putable to the issuer thereof at par on or prior to the scheduled Redemption Date and (without duplication) amounts standing to the credit of the Accounts which would be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for redemption in full on such Redemption Date, to meet the Redemption Threshold Amount, provided that, if the Issuer has received funds from a purchaser of one or more Collateral Debt Obligations (in whole or in part), but such Collateral Debt Obligations have not yet been disposed of by transfer of legal title, such funds will be included within the calculation of whether the Redemption Threshold Amount has been met.

Prior to the scheduled Redemption Date, the Collateral Administrator shall give notice to the Trustee in writing of the amount of all expenses incurred by the Issuer up to and including the scheduled Redemption Date in effecting such liquidation.

Any certification delivered by the Collateral Manager pursuant to this section must include (1) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Debt Obligations and/or Eligible Investments, (2) amounts standing to the credit of the Accounts which would be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for redemption in full on such Redemption Date and (3) all calculations required by this Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption following Note Tax Event*) (as applicable). The Trustee shall rely upon such certification without further enquiry and without liability. Any Noteholder, the Collateral Manager or any of the Collateral Manager's Affiliates shall have the right, subject to the same terms and conditions

afforded to other bidders, to bid on Collateral Debt Obligations to be sold as part of an Optional Redemption pursuant to this Condition 7(b)(viii) (*Optional Redemption in whole of all Classes of Notes effected through Liquidation only*).

If neither condition (A) nor (B) above is satisfied, the Issuer shall cancel the redemption of the Notes and shall give written notice of such cancellation to the Trustee, the Collateral Manager and the Noteholders in accordance with Condition 16 (*Notices*), and the Subordinated Noteholders (acting by Ordinary Resolution) shall have the right to elect to direct the Issuer to redeem the Notes on a date falling not less than three calendar days' after the first date notified to Noteholders in accordance with Condition 16 (*Notices*) as the date of such redemption (the "**Original Redemption Date**") and no more than 30 Business Days after the Original Redemption Date. Such cancellation shall not constitute a Note Event of Default.

The provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and this Condition 7(b)(vi) shall apply as conditions to such redemption, provided that the notice period in Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) shall be read as 7 days' prior written notice (rather than 30 days' prior written notice) and the Redemption Determination Date shall be 1 Business Day prior to any such Redemption Date (rather than 17 Business Days prior to the Redemption Date).

(ix) Mechanics of Redemption

Following calculation by the Collateral Administrator in consultation with the Collateral Manager of the relevant Redemption Threshold Amount, if applicable, the Collateral Administrator shall make such other calculations as it is required to make pursuant to the Collateral Management Agreement and shall notify the Issuer, the Trustee, the Collateral Manager and the Registrar in writing, whereupon the Registrar shall notify the Noteholders (in accordance with Condition 16 (*Notices*)) of such amounts.

Any exercise of a right of Optional Redemption by the Subordinated Noteholders pursuant to this Condition 7(b) (*Optional Redemption*) or the Controlling Class or the Subordinated Noteholders pursuant to Condition 7(g) (*Redemption following Note Tax Event*) shall be effected by delivery to a Transfer Agent, by the requisite amount of Subordinated Noteholders or the requisite amount of Noteholders of the Controlling Class (as applicable) of the Notes held thereby together with duly completed Redemption Notices not less than 30 days, or such shorter period of time as the Trustee and the Collateral Manager find acceptable prior to the proposed Redemption Date prior to the applicable Redemption Date. No Redemption Notice and Subordinated Note or Notes comprising the Controlling Class so delivered or any direction given by the Collateral Manager may be withdrawn without the prior consent of the Issuer. The Registrar shall copy each Redemption Notice or any direction given by the Collateral Manager received to each of the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and, if applicable, the Collateral Manager.

The Collateral Manager shall notify the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and the Registrar in writing upon satisfaction of any of the conditions set out in this Condition 7(b) (*Optional Redemption*) and shall use commercially reasonable endeavours to arrange for liquidation and/or realisation of the Portfolio in whole or in part as necessary, on behalf of the Issuer in accordance with the Collateral Management Agreement. The Issuer shall deposit, or cause to be deposited, the funds required for an optional redemption of the Rated Notes in accordance with this Condition 7(b) (*Optional Redemption*) in the Payment Account on the applicable Redemption Date (in the case of a Refinancing) or on the Business Day prior to the applicable Redemption Date (in the case of a redemption by liquidation). Principal Proceeds and Interest Proceeds received in connection with a redemption in whole of all

the Rated Notes shall be payable in accordance with the Post-Acceleration Priority of Payments. Refinancing Proceeds received in connection with a redemption in whole of a Class of Rated Notes (other than a redemption in whole of all Classes of Rated Notes) shall be paid to the holders of such Class of Notes to the extent required to redeem such Class of Notes.

(x) Optional Redemption of Subordinated Notes

The Subordinated Notes may be redeemed at their Redemption Price, in whole but not in part, at any time on or after the redemption or repayment in full of the Rated Notes, at the direction of either of (x) the Subordinated Noteholders (acting by Extraordinary Resolution) or (y) the Collateral Manager.

(c) Mandatory Redemption upon Breach of Coverage Tests

(i) Class A Notes and Class B Notes

If the Class A/B Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class A/B Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date or any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes and the Class B Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

(ii) Class C Notes

If the Class C Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class C Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date or any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes and the Class C Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated immediately following such redemption.

(iii) Class D Notes

If the Class D Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class D Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date and each Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated immediately following such redemption.

(iv) Class E Notes

If the Class E Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class E Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date and each Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Rated Notes in accordance with the Note Payment Sequence, on the

related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

(d) Special Redemption

A special redemption ("**Special Redemption**") of the Rated Notes will occur in the circumstances described in (i), (ii) and (iii) below.

(i) During the Reinvestment Period, principal payments on the Notes shall be made in accordance with paragraph (V) of the Interest Proceeds Priority of Payments if (x) the Interest Diversion Test is not met, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (U) thereof, and (y) the Collateral Manager determines in its discretion that it is unable to identify such additional Collateral Debt Obligations that it considers appropriate for reinvestment. In such circumstances, an amount up to the applicable Reinvestment Period Required Diversion Amount (as determined by the Collateral Manager) shall be applied in redemption of the Rated Notes in accordance with the Note Payment Sequence.

(ii) Principal payments on the Notes shall be made in accordance with the Principal Proceeds Priority of Payments at the sole and absolute discretion of the Collateral Manager if, at any time during the Reinvestment Period, the Collateral Manager (acting on behalf of the Issuer) certifies to the Trustee (upon which certification the Trustee may rely without further enquiry or liability) that using reasonable endeavours it has been unable, for a period of 20 consecutive Business Days, to identify additional Collateral Debt Obligations or Substitute Collateral Debt Obligations that are deemed appropriate by the Collateral Manager (acting on behalf of the Issuer) in its discretion and which meet the Eligibility Criteria or, to the extent applicable, the Reinvestment Criteria, in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account that are to be invested in additional Collateral Debt Obligations. On the first Payment Date following the Due Period in which such notice is given (a "**Special Redemption Date**"), the funds in the Principal Account representing Principal Proceeds which, using reasonable endeavours, cannot be reinvested in additional Collateral Debt Obligations or Substitute Collateral Debt Obligations (the "**Special Redemption Amount**") will be applied in accordance with paragraph (N) of the Principal Proceeds Priority of Payments. Notice of payments pursuant to this Condition 7(d)(ii) (*Special Redemption*) shall be given by the Issuer in accordance with Condition 16 (*Notices*) not less than three Business Days prior to the applicable Special Redemption Date to the Noteholders and to each Rating Agency. For the avoidance of doubt, the exercise of a Special Redemption shall be at the sole and absolute discretion of the Collateral Manager (acting on behalf of the Issuer) and the Collateral Manager shall be under no obligation to, or have any responsibility for, any Noteholder or any other person for the exercise or non-exercise (as applicable) of such Special Redemption.

(iii) Following the Reinvestment Period, principal payments on the Notes shall be made in accordance with paragraph (V) of the Interest Proceeds Priority of Payments if the Interest Diversion Test is not met, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (U) thereto. In such circumstances, an amount up to the applicable Post-Reinvestment Period Required Diversion Amount shall be applied in redemption of the Rated Notes in accordance with the Note Payment Sequence.

(e) Redemption upon Effective Date Rating Event

In the event that as at the Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, either (i) the Issuer, at

the direction of the Collateral Manager, shall purchase additional Collateral Debt Obligations or transfer amounts into the Principal Account pending reinvestment in Collateral Debt Obligations at a later date in each case subject to and in accordance with the Priorities of Payments until an Effective Date Rating Event is no longer continuing or (ii) the Rated Notes shall be redeemed in accordance with the Note Payment Sequence on such Payment Date and thereafter on each Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payments, in each case, until redeemed in full or, if earlier, until an Effective Date Rating Event is no longer continuing.

(f) Redemption following Expiry of the Reinvestment Period

Following expiry of the Reinvestment Period, the Issuer shall, on each Payment Date occurring thereafter, apply Principal Proceeds transferred to the Payment Account immediately prior to the related Payment Date in redemption of the Notes at their applicable Redemption Prices in accordance with the Priorities of Payments.

(g) Redemption following Note Tax Event

Upon the occurrence of a Note Tax Event, the Issuer shall, subject to and in accordance with the terms of the Trust Deed, use all reasonable efforts to first (i) change the location of the Paying Agent or the listing of the Notes or, if the action described in this paragraph (i), would not avoid the occurrence of such Note Tax Event and subject as provided below, second (ii) take such other steps as may be available to it (other than changing its tax residency) to avoid the occurrence of such Note Tax Event, or third (iii) change the territory in which it is resident for tax purposes to another jurisdiction which, at the time of such change, would not give rise to a Note Tax Event. The Issuer shall not be required to change the territory in which it is resident for tax purposes or take any steps to avoid such Note Tax Event if to do so would impose legal, regulatory, tax or other obligations on the Issuer which would have a materially adverse effect on it. Upon the earlier of (a) the date upon which the Issuer certifies to the Trustee (upon which certification the Trustee may rely without further enquiry or liability) and notifies (or procures the notification of) the Noteholders in accordance with Condition 16 (*Notices*) that it is not able to effect such change of residence and (b) the date which is 90 days from the date upon which the Issuer first becomes aware of such Note Tax Event (*provided that* such 90 day period shall be extended by a further 90 days in the event that during the former period the Issuer has notified (or procured the notification of) the Trustee in writing and the Noteholders in accordance with Condition 16 (*Notices*) that, based on advice received by it, it expects that it shall have changed the location of the Paying Agent and/or the listing of the Notes or its place of residence or taken such other steps to avoid the occurrence of the Note Tax Event by the end of the latter 90 day period), the Controlling Class or the Subordinated Noteholders, in each case acting by way of Extraordinary Resolution, may elect that the Notes of each Class are redeemed, in whole but not in part, on any Payment Date thereafter, at their respective Redemption Prices in accordance with the Note Payment Sequence, in which case the Issuer shall so redeem the Notes on such terms, *provided that* such Note Tax Event would affect payment of principal or interest in respect of the Controlling Class or, as the case may be, the Subordinated Notes (in addition to any other Class of Notes) on such Payment Date; *provided further that* such redemption of the Notes, whether pursuant to the exercise of such option by the Controlling Class or the Subordinated Noteholders, shall take place in accordance with the procedures set out in Condition 7(b)(ix) (*Mechanics of Redemption*).

(h) Redemption

Unless otherwise specified in this Condition 7 (*Redemption and Purchase*), all Notes in respect of which any notice of redemption is given shall be redeemed on the Redemption Date at their applicable Redemption Prices and to the extent specified in such notice and in accordance with the requirements of this Condition 7 (*Redemption and Purchase*).

(i) Cancellation and Purchase

All Notes redeemed in full by the Issuer will be cancelled and may not be reissued or resold.

No Note may be surrendered (including in connection with any abandonment, donation, gift, contribution or other event or circumstance) except for payment as provided herein, for cancellation pursuant to Condition 7(k) (*Purchase*) below, for registration of transfer, exchange or redemption, or for replacement in connection with any Note mutilated, defaced or deemed lost or stolen.

(j) Notice of Redemption

The Issuer shall procure that notice of any redemption in accordance with this Condition 7 (*Redemption and Purchase*) (which notice shall, unless in respect of a redemption in accordance with Condition 7(b)(viii) (*Optional Redemption in whole of all Classes of Notes effected through Liquidation only*), be irrevocable) is given promptly in writing to the Trustee, the Noteholders in accordance with Condition 16 (*Notices*) and the Rating Agencies.

(k) Purchase

On any Business Day, at the discretion of the Collateral Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Collateral Management Agreement the Issuer may, subject to the conditions below, purchase any of the Rated Notes (in whole or in part), using Principal Proceeds standing to the credit of the Principal Account (other than Sale Proceeds in respect of the sale of Credit Improved Obligations, Credit Impaired Obligations or Interest Proceeds paid into the Principal Account pursuant to paragraph (V) of the Interest Proceeds Priority of Payments), the Collateral Enhancement Account, any Deferred Senior Collateral Management Amounts or Deferred Subordinated Collateral Management Amounts and any amounts available to be applied towards Permitted Uses.

No purchase of Rated Notes by the Issuer may occur (other than pursuant to Condition 2(h) (*Forced Transfer of Rule 144A Notes*), Condition 2(i) (*Forced Transfer pursuant to FATCA*) or Condition 2(j) (*Forced Transfer pursuant to ERISA*)) unless each of the following conditions is satisfied:

(i) (A) such purchase of Rated Notes shall occur in the following sequential order of priority: first, the Class A Notes, until the Class A Notes are redeemed or purchased in full and cancelled; second, the Class B Notes, until the Class B Notes are redeemed or purchased in full and cancelled; third, the Class C Notes, until the Class C Notes are redeemed or purchased in full and cancelled; fourth, the Class D Notes, until the Class D Notes are redeemed or purchased in full and cancelled; fifth, the Class E Notes, until the Class E Notes are redeemed or purchased in full and cancelled; and sixth, the Class F Notes, until the Class F Notes are redeemed or purchased in full and cancelled;

(B) each such purchase of Rated Notes of any Class shall be made pursuant to an offer made to all holders of the Rated Notes of such Class, by notice to such holders, which notice shall specify the purchase price (as a percentage of par) at which such purchase will be effected, the maximum amount of Principal Proceeds and amounts standing to the credit of the Contributions Account and the Collateral Enhancement Account that will be used to effect such purchase and the length of the period during which such offer will be open for acceptance;

(C) each such holder of a Rated Note shall have the right, but not the obligation, to accept such offer in accordance with its terms; and

(ii) if the aggregate Principal Amount Outstanding of Notes of the relevant Class held by holders who accept such offer exceeds the amount of Principal Proceeds specified in such offer, a portion of the Notes of each accepting holder shall be purchased *pro rata* based on the respective Principal Amount Outstanding held by each such holder subject to adjustment for Authorised Denominations if required;

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

(iv) each such purchase of Rated Notes shall occur prior to the expiry of the Reinvestment Period;

(v) each Coverage Test is satisfied immediately prior to each such purchase and will be satisfied after giving effect to such purchase or, if any Coverage Test is not satisfied it shall be at least maintained or improved after giving effect to such purchase as it was immediately prior thereto;

(vi) if Sale Proceeds are used to consummate any such purchase, either:

(A) each requirement or test, as the case may be, of the Portfolio Profile Tests and the Collateral Quality Test will be satisfied after giving effect to such purchase; or

(B) if any requirement or test, as the case may be, of the Portfolio Profile Tests and the Collateral Quality Test was not satisfied immediately prior to such purchase, such requirement or test will be maintained or improved after giving effect to such purchase;

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

(viii) any Rated Notes to be purchased shall be surrendered to the Registrar for cancellation and may not be reissued or resold;

(ix) each such purchase will otherwise be conducted in accordance with applicable law (including the laws of Ireland);

(x) such purchase of the Rated Notes would not cause the issuance and offering of the Notes to cease to comply with the EU Retention Requirements and/or the U.S. Risk Retention Rules; and

(xi) the Issuer shall have given prior notice of such purchase to the Rating Agencies.

The Issuer shall surrender any purchased Rated Notes to the Registrar for cancellation and upon instruction by the Issuer, the Registrar shall cancel any such purchased Rated Notes surrendered to it for cancellation. Any such purchased Notes that are surrendered (such notes, "**Purchased Notes**") will be delivered to the Registrar for cancellation. All Purchased Notes will be promptly cancelled by the Registrar and may not be reissued or resold; provided that Purchased Notes will continue to be treated as "Outstanding" under these Conditions and the Trust Deed solely for purposes of calculating the Par Value Ratio (including for purposes of determining compliance with the Interest Diversion Test) until all Notes of the applicable Class and (where relevant) each Class that is senior in right of payment thereto in the Note Payment Sequence have been retired or redeemed, with such Purchased Notes having a Principal Amount Outstanding equal to the Principal Amount Outstanding as of the date of purchase, reduced proportionately with, and to the extent of, any payments of principal on Notes of the same Class thereafter. The Issuer shall procure that notice of any such purchase of Rated Notes by it is given promptly in writing to the Noteholders (in accordance with Condition 16 (*Notices*)) and the Trustee.

8. Payments

(a) Method of Payment

Payments of principal upon final redemption in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of such Note at the specified office of the Principal Paying Agent or any Paying Agent by wire transfer. Payments of interest on each Note and, prior to redemption in full thereof, principal in respect of each Note, will be made by wire transfer drawn on a bank in western Europe and posted on the Business Day immediately preceding the relevant due date to the holder (or to the first named of joint holders) of the Note appearing on the Register at the close of business on the Record Date at his address shown on the register on the Record Date. Upon application of the holder to the specified office of the Principal Paying Agent or any Paying Agent not less than five Business Days before the due date for any payment in respect of a Note, the payment may be made (in the case of any final payment of principal against presentation and surrender (or, in the case of part payment only of such final payment, endorsement) of such Note as provided above) by wire transfer, in immediately available funds, on the due date to a Euro account maintained by the payee with a bank in western Europe.

(b) Payments

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 9 (*Taxation*). No commission shall be charged to the Noteholders.

(c) Payments on Presentation Dates

A holder shall be entitled to present a Note for payment only on a Presentation Date and shall not, except as provided in Condition 6 (*Interest*), be entitled to any further interest or other payment if a Presentation Date falls after the due date.

If a Note is presented for payment at a time when, as a result of differences in time zones it is not practicable to transfer the relevant amount to an account as referred to above for value on the relevant Presentation Date, the Issuer shall not be obliged so to do but shall be obliged to transfer the relevant amount to the account for value on the first practicable date after the Presentation Date.

(d) Principal Paying Agent and Transfer Agents

The names of the initial Principal Paying Agent and Transfer Agents and their initial specified offices are set out below. The Issuer reserves the right at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of the Principal Paying Agent and any Transfer Agent and appoint additional or other Agents, *provided that* it will maintain a Principal Paying Agent, as approved in writing by the Trustee and shall procure that it shall at all times maintain a Custodian, Account Bank, Collateral Manager and Collateral Administrator. Notice of any change in any Agent or their specified offices or in the Collateral Manager or Collateral Administrator will promptly be given to the Noteholders by the Issuer in accordance with Condition 16 (*Notices*).

9. Taxation

All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for or on account of, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Ireland, or any political sub division or any authority therein or thereof or any other jurisdiction having power to tax, unless such withholding or deduction is required by law. For the avoidance of doubt, the Issuer shall not be required to gross up any payments made to

Noteholders of any Class and shall withhold or deduct from any such payments any amounts on account of such tax where so required by law or any such relevant taxing authority or in connection with FATCA (including any voluntary agreement entered into with a taxing authority pursuant thereto). Any such withholding or deduction shall not constitute a Note Event of Default under Condition 10(a) (*Note Events of Default*).

Subject as provided below, if the Issuer certifies to the Trustee (upon which certification the Trustee may rely without further enquiry and without liability) that it has or will on the occasion of the next payment due in respect of the Notes of any Class become obliged by the laws of Ireland to withhold or account for tax so that it would be unable to make payment of the full amount that would otherwise be due but for the imposition of such tax, the Issuer (save as provided below) shall use all reasonable endeavours to arrange for the substitution of a company incorporated in another jurisdiction as the principal obligor under the Notes of such Class, or to change its tax residence to another jurisdiction, subject to receipt of Rating Agency Confirmation in relation to such change and in accordance with the Trust Deed.

Notwithstanding the above, if any taxes referred to in this Condition 9 (*Taxation*) arise:

(a) due to any present or former connection of any Noteholder (or between a fiduciary, settlor, beneficiary, member or shareholder of such Noteholder if such Noteholder is an estate, a trust, a partnership, or a corporation) with Ireland (including without limitation, such Noteholder (or such fiduciary, settlor, beneficiary, member of shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having had a permanent establishment therein) otherwise than by reason only of the holding of any Note or receiving principal or interest in respect thereof;

(b) by reason of the failure by the relevant Noteholder to comply with any provisions of the Transaction Documents which set out applicable procedures required to establish non-residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland or other applicable taxing authority;

(c) in respect of a payment made or secured for the immediate benefit of an individual or a non-corporate entity which is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such directive or any arrangement entered into between the Member States and certain third countries and territories in connection with such directive;

(d) as a result of presentation for payment by or on behalf of a Noteholder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent or Transfer Agent in a Member State of the European Union;

(e) in connection with FATCA; or

(f) any combination of the preceding clauses (a) through (e) inclusive,

the requirement to substitute the Issuer as a principal obligor and/or change its residence for taxation purposes shall not apply.

Any withholding or deduction required from amounts payable by the Issuer pursuant to this Condition 9 (*Taxation*) shall be deemed to be included in the same paragraph in the Priorities of Payments as the paragraph which contains the payment in respect of which such withholding or deduction is required to be made.

10. Events of Default

(a) Note Events of Default

Any of the following events shall constitute a "**Note Event of Default**":

(i) Non-payment of interest

the Issuer fails to pay any Interest Amounts in respect of the Class A Notes and the Class B Notes when the same becomes due and payable or, following redemption and payment in full of the Class A Notes and the Class B Notes and after the occurrence of a Frequency Switch Event, the Issuer fails to pay any Interest Amounts due and payable on (A) the Class C Notes, if such Class of Notes is the Controlling Class; (B) the Class D Notes, if such Class of Notes is the Controlling Class; (C) the Class E Notes, if such Class of Notes is the Controlling Class and (D) the Class F Notes, if such Class of Notes is the Controlling Class and, in each case, failure to pay such interest in such circumstances continues for a period of at least five Business Days or in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least seven Business Days after the Issuer, Collateral Administrator and/or Principal Paying Agent receive written notice or have actual knowledge thereof and *provided that* in each case the failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with these Conditions or, in the case of an Optional Redemption, with respect to which a Refinancing fails or any deduction from such Interest Amounts or the imposition of any withholding tax thereon as set out in Condition 9 (*Taxation*) will not constitute a Note Event of Default;

(ii) Non-payment of principal on Rated Notes

the Issuer fails to pay any principal when the same becomes due and payable on any Rated Note on any Redemption Date or the Maturity Date (other than in respect of a Mandatory Redemption) and such failure to pay such principal continues for a period of at least five Business Days *provided that*, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least seven Business Days after the Trustee or the Issuer receives written notice of, or has actual knowledge of, such administrative error or omission and *provided further that* failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions or, in the case of an Optional Redemption with respect to which a Refinancing fails, will not constitute a Note Event of Default;

(iii) Default under Priorities of Payments

the failure on any Payment Date to disburse amounts (other than (i) or (ii) above) available in the Payment Account in excess of €1,000 and payable in accordance with the Priorities of Payments and continuation of such failure for a period of ten Business Days or, in the case of a failure to disburse due to an administrative error or omission, or another non-credit-related reason (as determined by the Collateral Manager acting in a commercially reasonable manner and certified in writing to the Trustee (upon which certification the Trustee may rely absolutely and without enquiry or liability)), such failure continues for ten Business Days after the Trustee or the Issuer receives written notice of, or (in the case of the Issuer) has actual knowledge of, such administrative error or omission;

(iv) Collateral Debt Obligations

on any Measurement Date on and after the Effective Date, failure of the percentage equivalent of a fraction, (i) the numerator of which is equal to the Aggregate Collateral

Balance and (ii) the denominator of which is equal to the Principal Amount Outstanding of the Class A Notes to equal or exceed 102.5 per cent.;

(v) Breach of Other Obligations

except as otherwise provided in this definition of "Note Event of Default" a default in a material respect in the performance by, or breach in a material respect of any material covenant of, the Issuer under the Trust Deed (*provided that* any failure to meet any Portfolio Profile Test, the Interest Diversion Test, Collateral Quality Test or Coverage Test is not a Note Event of Default and any failure to satisfy the Effective Date Determination Requirements is not a Note Event of Default, except in either case to the extent provided in paragraph (iv) above) or the failure of any material representation or warranty of the Issuer made in the Trust Deed, these Conditions or, in either case, 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, which default, breach or failure is materially prejudicial, in the opinion of the Trustee, to the interests of the Noteholders of any Class and the continuation of such default, breach or failure for a period of 30 days after notice to the Issuer and the Collateral Manager by registered or certified mail or courier, from the Trustee, the Issuer, or the Collateral Manager, or to the Issuer, the Collateral Manager and the Trustee from the Controlling Class acting pursuant to an Ordinary Resolution, specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "**Notice of Default**" under the Trust Deed; *provided that* if the Issuer (as notified to the Trustee by the Collateral Manager in writing) has commenced curing such default, breach or failure during the 30 day period specified above, such default, breach or failure shall not constitute a Note Event of Default under this paragraph (v) unless (A) it continues for a period of 30 days (rather than, and not in addition to, such 30 day period specified above) after notice thereof in accordance herewith, or (B) if such default, breach or failure is in respect of payments made under the Priorities of Payments (except for such default, breach or failure in relation to amounts payable on or under the Rated Notes) and can be cured only on a Payment Date, it continues after the next Payment Date;

(vi) Insolvency Proceedings

proceedings are initiated against the Issuer under any applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws (together, "**Insolvency Law**"), or a receiver, administrative receiver, trustee, administrator, examiner, custodian, conservator, liquidator, curator, or other similar official appointed in connection with any Insolvency Law or a security enforcement or related proceedings (other than any party, including without limitation the Trustee, appointed or otherwise acting pursuant to or in connection with the Transaction Documents) (a "**Receiver**") is appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer and in any of the foregoing cases, except in relation to the appointment of a Receiver, is not discharged within 30 days; or the Issuer is subject to, or initiates or consents to judicial proceedings relating to itself under any applicable Insolvency Law, or seeks the appointment of a Receiver, or makes a conveyance or assignment for the benefit of its creditors generally or otherwise becomes subject to any reorganisation or amalgamation (other than on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Controlling Class);

(vii) Illegality

it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes; or

(viii) Investment Company Act

the Issuer or any of the Collateral becomes required to register as an "**Investment Company**" under the Investment Company Act and such requirement continues for 45 days.

(b) Acceleration

(i) If a Note Event of Default occurs and is continuing, the Trustee may, at its discretion and shall, at the request of the Controlling Class acting by way of Ordinary Resolution, (*provided that* the Trustee shall not be obliged to take any action unless indemnified and/or secured and/or prefunded to its satisfaction) give notice to the Issuer and the Collateral Manager that all the Notes are immediately due and repayable at their applicable Redemption Prices (such notice, an "**Acceleration Notice**"), *provided that* following the occurrence of a Note Event of Default described in paragraph (vi) or (vii) of the definition thereof, such notice shall be deemed to have been given and all the Notes shall automatically become immediately due and repayable at their applicable Redemption Prices.

(ii) Upon any such notice being given or deemed to have been given to the Issuer in accordance with Condition 10(b)(i) (*Acceleration*) all of the Notes shall immediately become due and repayable at their applicable Redemption Prices.

(c) Curing of Default

At any time after a notice of acceleration of maturity of the Notes has been given pursuant to Condition 10(b) (*Acceleration*) following the occurrence of a Note Event of Default (other than with respect to a Note Event of Default occurring under paragraph (vi) or (vii) of the definition thereof where such notice is not required) and prior to enforcement of the security pursuant to Condition 11 (*Enforcement*), the Trustee, subject to receipt of consent in writing from the Controlling Class, may and shall, if so requested by the Controlling Class, in each case, acting by Ordinary Resolution, (*provided that* the Trustee shall not be obliged to take any action unless indemnified and/or secured and/or prefunded to its satisfaction) rescind and annul such notice of acceleration under paragraph (b)(i) above and its consequences if:

(i) the Issuer has paid or deposited with the Trustee a sum sufficient to pay:

(A) all overdue payments of interest and principal on the Notes, other than the Subordinated Notes;

(B) all due but unpaid taxes owing by the Issuer, as certified by an Authorised Officer of the Issuer to the Trustee;

(C) all unpaid Trustee Fees and Expenses (without regard to the Senior Expenses Cap);

(D) all unpaid Administrative Expenses (without regard to the Senior Expenses Cap);

(E) all amounts due and payable by the Issuer under any Hedge Transaction;

(ii) the Trustee has determined that all Note Events of Default, other than the non-payment of the interest in respect of, or principal of, the Notes that have become due solely as a result of the acceleration thereof under paragraph (b) above due to such Note Events of Default, have been cured or waived.

All amounts received in respect of this Condition 10(c) (*Curing of Default*), shall be distributed two Business Days following the receipt by the Trustee of written notice from the Issuer confirming that the Issuer has received such amounts, in accordance with the Post-Acceleration Priority of Payments.

Any previous rescission and annulment of a notice of acceleration pursuant to this paragraph (c) shall not prevent the subsequent acceleration of the Notes if the Trustee, at its discretion or, as subsequently requested, accelerates the Notes in accordance with Condition 10(b) (*Acceleration*) above or if the Notes are automatically accelerated in accordance with paragraph (b)(i) above.

(d) Restriction on Acceleration of Notes

No acceleration of the Notes shall be permitted pursuant to this Condition 10(d) (*Restriction on Acceleration of Notes*) by any Class of Noteholders, other than the Controlling Class as provided in Condition 10(b) (*Acceleration*).

(e) Notification and Confirmation of No Default

The Issuer shall immediately notify in writing the Trustee, the Collateral Manager, the Noteholders in accordance with Condition 16 (*Notices*) and each Hedge Counterparty and the Rating Agencies upon becoming aware of the occurrence of a Note Event of Default. The Trust Deed contains provision for the Issuer to provide written confirmation to the Trustee and the Rating Agencies on an annual basis and upon request that no Note Event of Default has occurred and that no condition, event or act has occurred which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition would constitute a Note Event of Default and that no other matter which is required (pursuant thereto) to be brought to the Trustee's attention has occurred.

(f) Collateral Manager Events of Default

Any of the following events shall constitute a "**Collateral Manager Event of Default**":

(i) the Collateral Manager wilfully breaches, or wilfully takes any action that it knows violates any material provision of the Collateral Management Agreement or any other Transaction Document applicable to the Collateral Manager (it being understood that any action or failure to act by the Collateral Manager, including but not limited to any decision to buy or sell a Collateral Debt Obligation, based on its good faith interpretation (and where appropriate based on advice from legal counsel) of the Transaction Documents will not be considered a wilful breach or violation);

(ii) the Collateral Manager breaches any material provision of the Collateral Management Agreement or any terms of any other Transaction Document applicable to it that, either individually or in the aggregate, is or could be expected to be, in the opinion of the Trustee, materially prejudicial to the interests of the holders of any Class of Notes (excluding for purposes of this paragraph (ii) any actions referred to in paragraph (i) above and it being understood that failure to meet any Portfolio Profile Test, Collateral Quality Test, Interest Diversion Test or Coverage Test is not a breach for purposes of this Condition 10(f)(ii) (*Collateral Manager Event of Default*)) and fails to cure such breach within 30 days of becoming aware of, or receiving notice from the Issuer or the Trustee of, such breach or, if such breach is not capable of cure within 30 days, the Collateral Manager fails to cure such breach within the period in which a reasonably diligent person could cure such breach (but in no event more than 90 days);

(iii) certain bankruptcy events (excepting consolidation, amalgamation or merger) occur with respect to the Collateral Manager as described in the Collateral Management Agreement;

(iv) the occurrence of a Note Event of Default that consists of a default in the payment of interest or principal on the Notes when due and payable and that arises directly from a breach or default of the Collateral Manager's duties under the Collateral Management

Agreement, which breach or default is not cured within any applicable cure period set out in the Conditions;

(v) any action is taken by the Collateral Manager or any of its senior executive officers involved in the management of any Collateral Debt Obligation that constitutes fraud or criminal activity in connection with the performance of the Collateral Manager's obligations under the Collateral Management Agreement;

(vi) the Collateral Manager is indicted, or any of its senior executive officers is convicted, of a criminal offence under the laws of any jurisdiction in which it conducts business, materially related to the Collateral Manager's asset management business, unless, (A) in the case of a conviction of a senior executive officer of the Collateral Manager, such senior executive officer has, within 30 days after such occurrence, been removed from performing work in fulfilment of the Collateral Manager's obligations under the Collateral Management Agreement, or (B) in the case of an indictment arising from practices that have become the subject of contemporaneous actions against multiple un-affiliated investment advisers in the same jurisdiction or regulatory region, such indictment has been cured or dismissed within 30 days; or

(vii) the Collateral Manager resigning pursuant to the terms of the Collateral Management Agreement.

Pursuant to the terms of the Collateral Management Agreement:

(A) following the occurrence of a Collateral Manager Event of Default pursuant to paragraphs (i) to (vi) of the definition thereof, the Collateral Manager may be removed at any time upon 10 Business Day's prior written notice to the Collateral Manager, the Noteholders in accordance with Condition 16 (*Notices*), the Trustee, the Hedge Counterparties and each Rating Agency by:

(1) the Issuer at its own discretion; or

(2) the Issuer acting at the direction of (i) the holders of the Controlling Class of Notes (acting by Extraordinary Resolution) or (ii) the holders of the Subordinated Notes (acting by Extraordinary Resolution) (in each case, excluding (x) the holders of any CM Non-Voting Notes and any CM Non-Voting Exchangeable Notes, and (y) those Notes held by the Collateral Manager or any of its Affiliates);

(B) written notice shall be given in respect of the occurrence of a Collateral Manager Event of Default, by the Collateral Manager to the Issuer, the Trustee, the Collateral Administrator, the Noteholders in accordance with Condition 16 (*Notices*), the Hedge Counterparties and each Rating Agency; and

(C) upon the occurrence of a removal of the Collateral Manager or a Collateral Manager Event of Default pursuant to paragraph (vii) of the definition thereof, the Controlling Class (excluding the holders of any CM Non-Voting Exchangeable Notes and CM Non-Voting Notes) and the Subordinated Noteholders will have certain rights with respect to the appointment of a successor collateral manager, as more fully described in the Collateral Management Agreement.

Notwithstanding the above, except in the circumstances where it has become illegal for the Collateral Manager to carry on its duties under the Collateral Management Agreement, no purported resignation or removal of the Collateral Manager shall be effective until a successor Collateral Manager has been appointed in the manner specified in the Collateral Management Agreement.

11. Enforcement

(a) Security Becoming Enforceable

Subject as provided in paragraph (b) below, the security constituted by the Trust Deed over the Collateral shall become enforceable upon an acceleration of the maturity of the Notes pursuant to Condition 10(b) (*Acceleration*).

(b) Enforcement

At any time after the Notes become due and repayable and the security under the Trust Deed becomes enforceable, the Trustee may, at its discretion, but subject always to Condition 4(c) (*Limited Recourse and Non-Petition*) and shall, if so directed by the Controlling Class acting by Ordinary Resolution, institute such proceedings or take any other action against the Issuer as it may think fit to enforce the terms of the Trust Deed and the Notes and pursuant and subject to the terms of the Trust Deed and the Notes, realise and/or otherwise liquidate or sell the Collateral in whole or in part and/or take such other action as may be permitted under applicable laws against any Obligor in respect of the Collateral and/or take any other action to enforce or realise the security over the Collateral in accordance with the Trust Deed (such actions together, "**Enforcement Actions**"), in each case without any liability as to the consequence of such action and without having regard (save to the extent provided in Condition 14(e) (*Entitlement of the Trustee and conflicts of interest*) to the effect of such action on individual Noteholders of any Class or any other Secured Party *provided further that*:

(i) no such Enforcement Action may be taken by the Trustee unless:

(A) (subject, in each case, to it being indemnified and/or secured and/or prefunded to its satisfaction), the Trustee (or an agent or other appointee on its behalf, including, without limitation, the Collateral Manager (an "**Enforcement Agent**")) determines (subject to paragraph (ii) below) (in accordance with Condition 11(b)(iii) (*Enforcement*) below that the anticipated proceeds realised from such Enforcement Action (after deducting and allowing for any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) other than the Subordinated Notes and all amounts payable in priority thereto pursuant to the Post-Acceleration Priority of Payments (such amount the "**Enforcement Threshold**" and such determination being an "**Enforcement Threshold Determination**"), subject to consultation with the Collateral Manager; or

(B) if the Enforcement Threshold will not have been met then subject to paragraph (ii) below:

(1) in the case of a Note Event of Default specified in sub-paragraph (i), (ii) or (iv) of Condition 10(a) (*Note Events of Default*), the Controlling Class acting by way of Ordinary Resolution (and no other Class of Notes) directs the Trustee to take Enforcement Action without regard to any other Note Event of Default which has occurred prior to, contemporaneously or subsequent to such Note Event of Default; or

(2) in the case of any other Note Event of Default, the Noteholders of each Class of Rated Notes voting separately by Class by way of Ordinary Resolution direct the Trustee to take Enforcement Action.

(ii) the Trustee shall not be bound to institute any Enforcement Action or take any other action unless it is directed to do so by the Controlling Class or, in the case of

Condition 11(b)(i)(B)(2) (*Enforcement*) each Class of Rated Notes as applicable, acting by Ordinary Resolution and, in each case, the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith. Following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, the Trustee shall (provided it is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) act upon the directions of the Subordinated Noteholders acting by Extraordinary Resolution;

(iii) the Trustee shall determine or shall request that an Enforcement Agent determines the aggregate proceeds that can be realised pursuant to any Enforcement Action by using reasonable efforts to obtain (with the cooperation of the Collateral Manager if requested by the Trustee and in each case to the extent the Collateral Manager is not the Enforcement Agent), bid prices with respect to each asset comprising the Portfolio from two recognised dealers at the time making a market therein and shall compute the anticipated proceeds of sale or liquidation on the basis of the lower of such bid prices for each such asset. In the event that the Enforcement Agent (with the cooperation of the Collateral Manager if requested by the Trustee and in each case to the extent the Collateral Manager is not the Enforcement Agent), is only able to obtain bid prices with respect to an asset from one recognised dealer at the time making a market therein, the Enforcement Agent shall compute the anticipated proceeds of sale or liquidation on the basis of such one bid price. The Trustee may rely on the determination of such Enforcement Agent without liability. In addition, for the purposes of determining issues relating to the execution of a sale or liquidation of the Portfolio, the Trustee may obtain and rely on an opinion and/or advice of an independent investment banking firm, or other appropriate financial or legal advisor (the cost of which shall be payable to the Trustee as Trustee Fees and Expenses).

The Trustee shall notify the Noteholders in accordance with Condition 16 (*Notices*), the Issuer, the Agents, the Collateral Manager, each Hedge Counterparty and the Rating Agencies in the event that the Trustee or an Enforcement Agent on its behalf makes an Enforcement Threshold Determination at any time or the Trustee takes any Enforcement Action at any time (such notice an "**Enforcement Notice**"). Following the delivery of an Acceleration Notice which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*) or, as the case may be following automatic acceleration of the Notes or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*), Interest Proceeds, Principal Proceeds and the net proceeds of enforcement of the security over the Collateral (other than with respect to (i) any Counterparty Downgrade Collateral, and/or Swap Tax Credits (which are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payments); (ii) Collateral Enhancement Amounts standing to the credit of the Collateral Enhancement Account, unless applied in accordance with paragraph (F) of Condition 3(k)(vi) (*Collateral Enhancement Account*); and (iii) Contributions standing to the credit of the Contributions Account, unless applied in accordance with paragraph (G) of Condition 3(k)(viii) (*Contributions Account*)) shall be credited to the Payment Account and shall be distributed in accordance with the following order of priority but in each case only to the extent that all payments of a higher priority have been made in full (the "**Post-Acceleration Priority of Payments**"):

(A) to the payment of taxes owing by the Issuer accrued in respect of the related Due Period (other than Irish corporate income tax in relation to the amounts equal to the

minimum profit referred to below), as certified by an Authorised Officer of the Issuer to the Trustee, if any, and to the payment of amounts equal to the minimum profit to be retained by the Issuer for Irish tax purposes, for deposit into the Issuer Irish Account from time to time;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses up to an amount equal to the Senior Expenses Cap, *provided that* following the occurrence of an Event of Default which is continuing, the Senior Expenses Cap shall not apply;

(C) to the payment of accrued and unpaid Administrative Expenses in the order of priority specified therein, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period, less any amounts paid pursuant to item (B) above, *provided that* following the occurrence of an Event of Default which is continuing, the Senior Expenses Cap shall not apply;

(D) to the payment on a *pro rata* and *pari passu* basis, of any Scheduled Periodic Interest Rate Hedge Issuer Payments (to the extent not paid or provided for out of the Interest Account), Scheduled Periodic Asset Swap Issuer Payments (to the extent not paid or provided for out of the relevant Non-Euro Hedge Account) and Hedge Termination Payments (other than Defaulted Hedge Termination Payments);

(E) to the payment:

(1) *firstly*, on a *pro rata* and *pari passu* basis (x) on a *pro rata* basis to the Collateral Manager of the Senior Collateral Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Collateral Manager or, other than following an enforcement of the Notes in accordance with Condition 11 (*Enforcement*), directly to the relevant taxing authority) save for any Deferred Senior Collateral Management Amounts which shall not be paid pursuant to this paragraph; and

(2) *secondly*, to the Collateral Manager, any previously due and unpaid Senior Collateral Management Fees (other than Deferred Senior Collateral Management Amounts) including any interest accrued thereon and any VAT in respect thereof (whether payable to the Collateral Manager or, other than following an enforcement of the Notes in accordance with Condition 11 (*Enforcement*), directly to the relevant taxing authority),

(F) to the payment on a *pro rata* and *pari passu* basis of all Interest Amounts due and payable on the Class A Notes;

(G) to the redemption on a *pro rata* and *pari passu* basis of the Class A Notes, until the Class A Notes have been redeemed in full;

(H) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts due and payable on the Class B Notes;

(I) to the redemption on a *pro rata* and *pari passu* basis of the Class B Notes, until the Class B Notes have been redeemed in full;

(J) to the payment on a *pro rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class C Notes;

(K) to the payment on a *pro rata* basis of any Deferred Interest on the Class C Notes;

(L) to the redemption on a *pro rata passu* basis of the Class C Notes, until the Class C Notes have been redeemed in full;

(M) (to the payment on a *pro rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class D Notes;

(N) to the payment on a *pro rata* basis of any Deferred Interest on the Class D Notes;

(O) to the redemption on a *pro rata* basis of the Class D Notes, until the Class D Notes have been redeemed in full;

(P) to the payment on a *pro rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class E Notes;

(Q) to the payment on a *pro rata* basis of any Deferred Interest on the Class E Notes;

(R) to the redemption on a *pro rata* basis of the Class E Notes, until the Class E Notes have been redeemed in full;

(S) to the payment on a *pro rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class F Notes;

(T) to the payment on a *pro rata* basis of any Deferred Interest on the Class F Notes;

(U) to the redemption on a *pro rata* basis of the Class F Notes, until the Class F Notes have been redeemed in full;

(V) to the payment:

(1) *firstly*, to the Collateral Manager of the Subordinated Collateral Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Collateral Manager or, other than following an enforcement of the Notes in accordance with Condition 11 (*Enforcement*), directly to the relevant taxing authority);

(2) *secondly*, to the Collateral Manager of any previously due and unpaid Subordinated Collateral Management Fee (other than Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts) including any interest accrued thereon and any VAT in respect thereof (whether payable to the Collateral Manager or, other than following an enforcement of the Notes in accordance with Condition 11 (*Enforcement*), directly to the relevant taxing authority);

(3) *thirdly*, *pro rata* and *pari passu* to the Collateral Manager in payment of any Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts, the deferral of which has been rescinded by the Collateral Manager, including any interest accrued thereon; and

(4) *fourthly*, to the repayment of any Collateral Manager Advances and any interest thereon.

(W) to the payment of Trustee Fees and Expenses, not paid by reason of the Senior Expenses Cap (if any);

(X) to the payment of Administrative Expenses in the order of priority specified therein, not paid by reason of the Senior Expenses Cap (if any) in relation to each item thereof, in the order of priority specified therein;

(Y) to the payment on a *pro rata* basis of any Defaulted Hedge Termination Payments due to any Hedge Counterparty;

(Z) (1) if the Incentive Collateral Management Fee IRR Threshold has not been reached, any remaining Interest Proceeds and Principal Proceeds to the payment on the Subordinated Notes on a *pro rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Incentive Collateral Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on the date of such distribution including pursuant to paragraph (1) above, (BB) of the Interest Proceeds Priority of Payments, paragraph (S) of the Principal Proceeds Priority of Payments, the Incentive Collateral Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) *firstly*, 20 per cent. of any remaining Interest Proceeds and Principal Proceeds, to the payment to the Collateral Manager as an Incentive Collateral Management Fee;

(b) *secondly*, any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant tax authority); and

(c) *thirdly*, any remaining Interest Proceeds and Principal Proceeds, to the payment on the Subordinated Notes on a *pro rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes and immediately prior to such redemption).

Subject to the specific provision that is made in (E)(1), (E)(2), (V)(1), (V)(2) and (Z)(2) above in relation to VAT in respect of, respectively, the Senior Collateral Management Fee, the Subordinated Collateral Management Fee and the Incentive Collateral Management Fee, that is payable to the relevant tax authority, where the payment of any amount in accordance with the Priorities of Payments set out above is subject to any deduction or withholding for or on account of any tax or any other tax is payable by or on behalf of the Issuer in respect of any such amount, payment of the amount so deducted or withheld or of the tax so due shall be made to the relevant taxing authority *pari passu* with and, so far as possible, at the same time as the payment of the amount in respect of which the relevant deduction or withholding or other liability to tax has arisen; *provided that* following the enforcement of security pursuant to Condition 11 (*Enforcement*) and the Trust Deed, no amounts shall be payable pursuant to the Post-Acceleration Priority of Payments to any person which is not a Secured Party.

(c) Only Trustee to Act

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Noteholders or, in respect of the Collateral, of any of the other Secured Parties under the Trust Deed and the Notes and no Noteholder or other Secured Party may proceed directly against the Issuer or any of its assets unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails or neglects to do so within a

reasonable period after having received notice of such failure and such failure or neglect continues for at least 30 days following receipt of such notice by the Trustee. Any proceeds received by a Noteholder or other Secured Party pursuant to any such proceedings brought by a Noteholder or other Secured Party shall be paid promptly following receipt thereof to the Trustee for application pursuant to the terms hereof. After realisation of the security which has become enforceable and distribution of the net proceeds in accordance with the Priorities of Payments, no Noteholder or other Secured Party may take any further steps against the Issuer to recover any sum still unpaid in respect of the Notes or the Issuer's obligations to such Secured Party and all claims against the Issuer to recover any sum still unpaid in respect of the Notes or the Issuer's obligations to such Secured Party and all claims against the Issuer in respect of such sums unpaid shall be extinguished. In particular, none of the Trustee, any Noteholder or any other Secured Party shall be entitled in respect thereof to petition or take any other step for the winding up of the Issuer except to the extent permitted under the Trust Deed.

(d) Purchase of Collateral by Noteholders

Upon any sale of any part of the Collateral following the acceleration of the Notes under Condition 10(b) (*Acceleration*), whether made under the power of sale under the Trust Deed or by virtue of judicial proceedings, any Noteholder may (but shall not be obliged to) bid for and purchase the Collateral or any part thereof and, upon compliance with the terms of sale, may hold, retain, possess or dispose of such property in its or their own absolute right without accountability. In addition, any purchaser in any such sale which is a Noteholder may deliver Notes held by it in place of payment of the purchase price for such Collateral where the amount payable to such Noteholder in respect of such Notes pursuant to the Priorities of Payments out of the net proceeds of such sale is equal to or exceeds the purchase moneys so payable.

12. Prescription

Claims in respect of principal and interest payable on redemption in full of the relevant Notes will become void unless presentation for payment is made as required by Condition 7 (*Redemption and Purchase*) within a period of five years, in the case of interest, and ten years, in the case of principal, from the date on which payment in respect of such Notes is received by the applicable Paying Agent.

13. Replacement of Notes

If any Note is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of any Transfer Agent, subject in each case to all applicable laws and Irish Stock Exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (*provided that* the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes must be surrendered before replacements will be issued.

14. Meetings of Noteholders, Modification, Waiver and Substitution

(a) Provisions in Trust Deed

The Trust Deed contains provisions for convening meetings of the Noteholders or any Class thereof (and of passing Written Resolutions) to consider matters affecting the interests of the Noteholders including, without limitation, modifying or waiving certain of the provisions of these Conditions and the substitution of the Issuer in certain circumstances. The provisions in this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) are descriptive of the detailed provisions of the Trust Deed.

(b) Decisions and Meetings of Noteholders

(i) General

Decisions may be taken by Noteholders by way of Ordinary Resolution or Extraordinary Resolution, in each case, either acting together or, to the extent specified in any applicable Transaction Document, as a Class of Noteholders acting independently or, as the case may be, by Unanimous Resolution. Such Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing, in each case, in at least the minimum percentages specified in the table "**Minimum Percentage Voting Requirements**" in paragraph (iii) below. Meetings of the Noteholders may be convened by the Issuer, the Trustee (subject to being indemnified to its satisfaction) or by one or more Noteholders holding not less than 10 per cent. in principal amount of the Notes Outstanding of a particular Class, subject to certain conditions including minimum notice periods.

At least (i) 21 days' notice in respect of Extraordinary Resolutions and (ii) 14 days' notice in respect of Ordinary Resolutions, in each case exclusive of the day on which the notice is given and of the day of the meeting, shall be given by the party convening the meeting to the Noteholders (in accordance with Condition 16 (*Notices*)), the Trustee and the Issuer as applicable.

The Trustee may, in its discretion, determine that any proposed Ordinary Resolution or Extraordinary Resolution affects the holders of only one or more Classes of Notes, in which event the required quorum and minimum percentage voting requirements of such Ordinary Resolution or Extraordinary Resolution may be determined by reference only to the holders of that Class or Classes of Notes and not the holders of any other Notes as set out in the tables below.

The holder of each Global Certificate will be treated as being one person for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Noteholders and, at any such meeting, as having one vote in respect of each €1,000 of principal amount of Notes for which the relevant Global Certificate may be exchanged.

Notice of any Resolution passed by the Noteholders will be given by the Issuer to the Rating Agencies in writing.

(ii) Quorum

The quorum required for any meeting convened to consider an Ordinary Resolution or Extraordinary Resolution, in each case, of all the Noteholders or of any Class of Noteholders, or at any adjourned meeting to consider such a Resolution, shall be as set out in the relevant column and row corresponding to the type of resolution in the table "**Quorum Requirements**" below.

Quorum Requirements

Type of Resolution	Any meeting other than a meeting adjourned for want of quorum	Meeting previously adjourned for want of quorum
Unanimous Resolution of a Class of Notes	One or more persons holding or representing 100 per cent. of the aggregate Principal Amount Outstanding of the Notes of the Class	One or more persons holding or representing 100 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the Notes of each relevant Class)
Extraordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than 66 2/3 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the Notes of the relevant Class or Classes only, if applicable)	One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the Notes of the relevant Class or Classes only, if applicable)
Ordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the Notes of the relevant Class or Classes only, if applicable)	One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the Notes of the relevant Class or Classes only, if applicable)

In connection with:

(A) a CM Removal Resolution or a CM Replacement Resolution, no Class A Notes, Class B Notes, Class C Notes and Class D Notes held in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of any such CM Removal Resolution or CM Replacement Resolution; or (C) be counted for the purposes of determining a quorum or the result of voting in respect of any such CM Removal Resolution or CM Replacement Resolution; and

(B) a CM Removal Resolution or a CM Replacement Resolution, no Notes held by or on behalf of the Collateral Manager or an Affiliate shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of any such CM Removal Resolution or CM Replacement Resolution (other than a CM Replacement Resolution in respect of the appointment of a replacement collateral manager that is not an Affiliate of the Collateral Manager); or (C) be counted for the purposes of determining a quorum or the result of voting in respect of any such CM Removal Resolution or CM Replacement Resolution (other than a CM Replacement Resolution in respect of the appointment of a replacement collateral manager that is not an Affiliate of the Collateral Manager).

The Trust Deed does not contain any provision for higher quorums in any circumstances.

(iii) Minimum Voting Rights

Set out in the table "**Minimum Percentage Voting Requirements**" below are the minimum percentages required to pass the Resolutions specified in such table which, (A) in the event that such Resolution is being considered at a duly convened meeting of Noteholders, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes held or represented by any person or persons who vote in favour of such Resolution represents of the aggregate Principal Amount Outstanding of all applicable Notes which are entitled, represented at such meeting and are voted or, (B) in the case of any Written Resolution, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes entitled to be voted in respect of such Resolution and which are voted in favour thereof represent of

the aggregate Principal Amount Outstanding of all the Notes entitled to vote in respect of such Written Resolution. For the avoidance of doubt, (a) the Class A-1 Notes and the Class A-2 Notes together and (b) the Class B-1 Notes and the Class B-2 Notes together shall each be treated as a single Class in respect of any consent, direction, objection, approval, vote or determination of quorum under the Trust Deed or these Conditions.

Minimum Percentage Voting Requirements

Type of Resolution	Per cent.
Unanimous Resolution of all Noteholders of a certain Class or Classes only	Not less than 100 per cent.
Extraordinary Resolution of all Noteholders (or of a certain Class or Classes only)	Not less than 66⅔ per cent.
Ordinary Resolution of all Noteholders (or of a certain Class or Classes only)	More than 50 per cent.

(iv) Written Resolutions

Any Written Resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Noteholders and the date of such Written Resolution shall be the date on which the latest such document is signed. Any Unanimous Resolution, Extraordinary Resolution or Ordinary Resolution may be passed by way of a Written Resolution.

(v) All Resolutions Binding

Subject to Condition 14(e) (*Entitlement of the Trustee and conflicts of interest*) and in accordance with the Trust Deed, any Resolution of the Noteholders (including any resolution of a specified Class or Classes of Noteholders, where the resolution of one or more other Classes is not required) duly passed shall be binding on all Noteholders (regardless of Class and regardless of whether or not a Noteholder was present at the meeting at which such Resolution was passed). Any Resolution duly passed by a holder of any Notes will be irrevocable and binding as to such holder and on all future holders or beneficial owners of that Note, regardless of the date on which such Resolution was passed.

(vi) Extraordinary Resolution

Subject to paragraph (ix) (*Unanimous Resolution*) and to the right of veto of the Retention Holder referred to in paragraph (xi) (*Retention Holder Veto*) below, any Resolution to sanction any of the following items will be required to be passed by an Extraordinary Resolution (in each case, subject to anything else specified in the Trust Deed, the Collateral Management Agreement or the relevant Transaction Document, as applicable):

(A) the exchange or substitution for the Notes of a Class, or the conversion of the Notes of a Class into, shares, bonds or other obligations or securities of the Issuer or any other entity (other than in the case of a Refinancing);

(B) the modification of any provision relating to the timing and/or circumstances of the payment of interest or redemption of the Notes of a Class at maturity or otherwise (including the circumstances in which the maturity of such Notes may be accelerated (other than in the case of a Refinancing));

(C) the modification of any of the provisions of the Trust Deed which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note (other than in the case of a Refinancing);

(D) the adjustment of the outstanding principal amount of the Notes Outstanding of the relevant Class other than in connection with a further issue of Notes pursuant to Condition 17 (*Additional Issuance*);

(E) a change in the currency of payment of the Notes of a Class;

(F) any change in the Priorities of Payments or of any payment items in the Priorities of Payments;

(G) the modification of the provisions concerning the quorum required at any meeting of Noteholders or the minimum percentage required to pass a Resolution or any other provision of the Trust Deed or these Conditions which requires the written consent of the holders of a requisite principal amount of the Notes of any Class Outstanding;

(H) any modification of any Transaction Document having a material adverse effect on the security over the Collateral constituted by the Trust Deed;

(I) any item requiring approval by Extraordinary Resolution pursuant to these Conditions or any Transaction Document; and

(J) any modification of this Condition 14(b) (*Decisions and Meetings of Noteholders*).

(vii) Ordinary Resolution

Subject to the right of veto of the Retention Holder referred to in paragraph (xi) (*Retention Holder Veto*) below, any meeting of the Noteholders shall, subject to these Conditions and the Trust Deed, have the power by Ordinary Resolution to approve any other matter relating to the Notes not referred to in paragraph (vi) (*Extraordinary Resolution*) above and (ix) (*Unanimous Resolution*) below.

(viii) Matters affecting a certain Class of Notes

Matters affecting the interests of only one Class (in the opinion of the Trustee) shall only be considered by and voted upon at a meeting of Noteholders of that Class or by written resolution of the holders of that Class.

(ix) Unanimous Resolution

In connection with Condition 7(b)(iv)(B) (*Terms and Conditions of an Optional Redemption*), any Resolution to sanction a decrease in the Redemption Price in respect of a Class of Notes (or to modify the provisions relating to quorums required at the related meeting of Noteholders or the minimum percentages of votes required for the passing of such Resolution) will be required to be passed by a Unanimous Resolution of the Noteholders of such Class of Notes (in each case, subject to anything else specified in the Trust Deed, the Collateral Management Agreement or the relevant Transaction Document, as applicable).

(x) Resolutions Affecting Other Classes

If and for so long as any Notes of more than one Class are Outstanding, in relation to any Meeting of Noteholders:

(A) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects only the Notes of a Class or Classes (the "**Affected Class(es)**"), but not another Class or Classes, as the case may be, shall be duly passed if passed at a meeting or meetings of the Noteholders of the Affected Class(es) and such Resolution shall be binding on all the Noteholders, including the holders of Notes which are not an Affected Class;

(B) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects the Notes of each Class shall be duly passed only if passed at a meeting of the Noteholders of each Class;

(C) a Resolution passed by the Controlling Class to exercise any rights granted to them pursuant to the Conditions or any Transaction Document shall be duly passed if passed at a meeting of the Controlling Class and such Resolution shall be binding on all the Noteholders; and

(D) a Resolution passed by the Subordinated Noteholders to exercise the rights granted to them pursuant to the Conditions shall be passed if passed only at a meeting of the Subordinated Noteholders and such resolution shall be binding on all of the Noteholders.

(xi) Retention Holder Veto

Provided that no Retention Event has occurred and is continuing, no modification or any Resolution to approve the modification of the Eligibility Criteria, the Portfolio Profile Tests, the Collateral Quality Tests, the Reinvestment Criteria, or any material changes to the foregoing, or the appointment of a replacement Collateral Manager (other than a replacement Collateral Manager appointed upon the removal of the Retention Holder or any Affiliate of the Retention Holder), will be effective without the consent in writing of the Retention Holder. If a Retention Event has occurred and is continuing, the Retention Holder shall have no veto rights in accordance with this Condition, however, this shall not affect the rights of the Retention Holder to exercise its rights as Noteholder.

(xii) Noteholder Identity

If a Noteholder of the relevant Class notifies the Principal Paying Agent that it will not consent to a Resolution proposed to it in accordance with this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*), the Principal Paying Agent shall, subject to any duty of confidentiality and applicable law (including any applicable privacy law), promptly notify the Issuer and the Collateral Manager of the identity of such Noteholder (and, subject as aforesaid, to the extent such information is available to the Principal Paying Agent, the beneficial owner of the relevant Notes). The Principal Paying Agent shall not be liable for the accuracy or completeness of any such identity or information. For the avoidance of doubt, the Principal Paying Agent shall not be obliged to seek the identity of the beneficial owner of the relevant Notes to the extent such information is not available to the Principal Paying Agent.

(c) Modification and Waiver

The Trust Deed and the Collateral Management Agreement both provide that, without the consent of the Noteholders (save where such consent is specified below), the Issuer may amend, modify, supplement and/or waive the relevant provisions of the Trust Deed and/or the Collateral Management Agreement and/or any other Transaction Document (subject to the consent of the other parties thereto, except as otherwise provided therein) (as applicable), other than any such amendment, modification, supplement and/or waiver that has the effect of sanctioning an item which is required to be passed by an Extraordinary Resolution under Condition 14(b)(vi) (*Extraordinary Resolution*) or Unanimous Resolution under Condition 14(b)(ix) (*Unanimous Resolution*) and subject to the rights of veto of the Retention Holder referred to in Condition 14(b)(xi) (*Retention Holder Veto*). The Trustee shall, without the consent or sanction of any of the Noteholders or any other Secured Party, consent to such amendment, modification, supplement or waiver, subject as provided below (other than an amendment, modification, supplement or waiver, pursuant to paragraphs (xiii), (xxiv), (xl)

and (xli) below, which shall be subject to the prior written consent of the Trustee in accordance with the relevant paragraph), for any of the following purposes:

(i) to add to the covenants of the Issuer, in each case for the benefit of the Noteholders or to surrender any right or power under the Trust Deed or the Collateral Management Agreement (as applicable) conferred upon the Issuer;

(ii) to charge, convey, transfer, assign, mortgage or pledge any property to or with the Trustee or add to the conditions, limitations or restrictions on authorised amount, terms of the issue, authentication and delivery of the Notes;

(iii) to correct or amplify the description of any property at any time subject to the security of the Trust Deed, or to better assure, convey and confirm unto the Trustee any property subject or required to be subject to the security of the Trust Deed (including, without limitation, any and all actions necessary or desirable as a result of changes in law or regulations) or subject to the security of the Trust Deed any additional property;

(iv) to modify the provisions of the Trust Deed relating to the creation, perfection, preservation of the security interests of the Trustee in the Collateral to conform with applicable law;

(v) to evidence and provide for the acceptance of appointment under the Trust Deed by a successor Trustee subject to and in accordance with the terms of the Trust Deed and to add to or change any of the provisions of the Trust Deed as shall be necessary to facilitate the administration of the trusts under the Trust Deed by more than one Trustee, pursuant to the requirements of the relevant provisions of the Trust Deed;

(vi) to make such changes as shall be necessary or advisable in order for the Notes of each Class to be (or to remain) listed and admitted to trading on the Main Securities Market or any other exchange and to authorise the appointment of any listing agent, transfer agent, paying agent or additional registrar for any Class of Notes required or advisable in connection with the listing of such Notes, and otherwise to amend the Trust Deed to incorporate any changes required or requested by any governmental authority, stock exchange authority, listing agent, paying agent or additional registrar for any Class of Notes in connection therewith;

(vii) to amend, modify, enter into, accommodate the execution or facilitate the transfer by the relevant Hedge Counterparty of any Hedge Agreement upon terms satisfactory to the Collateral Manager and subject to receipt of Rating Agency Confirmation;

(viii) save as contemplated in Condition 14(d) (*Substitution*) below, to take any action advisable to prevent the Issuer from being or becoming subject to (or to otherwise reduce) withholding or other taxes, fees or assessments;

(ix) to take any action advisable to reduce the risk that the Issuer will be treated as resident in the UK for UK tax purposes, as trading in the UK for UK tax purposes or as subject to VAT in respect of any Collateral Management Fees or being subject to (or its representative being or becoming subject to) (or to otherwise reduce) any diverted profits tax or similar tax;

(x) to take any action advisable to prevent the Issuer from being treated as engaged in a United States trade or business or otherwise be subject to United States federal, state or local income tax on a net income basis;

(xi) to reduce the risk that the Issuer may be treated as other than a corporation for U.S. federal income tax purposes;

(xii) 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) to enable the Issuer to rely upon any exemption from registration under the Securities Act or upon any exemption from, registration as, or exclusion or exception from the definition of, an "investment company" under the Investment Company Act or to remove restrictions on resale and transfer to the extent not required thereunder;

(xiii) to enter into any additional agreements not expressly prohibited by the Trust Deed or the Collateral Management Agreement (as applicable) as well as any amendment, modification or waiver of such additional agreements if the Trustee determines that such entry, amendment, modification or waiver would not, upon becoming effective, be materially prejudicial to the interests of the Noteholders of any Class, in each case *provided that* any such additional agreements include customary limited recourse and non-petition provisions;

(xiv) to amend the name of the Issuer;

(xv) to make any modification or amendment determined by the Issuer, as advised by the Collateral Manager, (in consultation with legal counsel experienced in such matters) as necessary or advisable for any Class of Rated Notes to not be considered an "ownership interest" as defined for purposes of section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder;

(xvi) to make any amendments to the Trust Deed or any other Transaction Document to enable the Issuer to comply with FATCA and/or CRS;

(xvii) to modify or amend any components of (i) the Moody's Test Matrix or (ii) the Fitch Tests Matrix, subject to receipt of Rating Agency Confirmation (or such other confirmation as the relevant Rating Agency is willing to provide from time to time that such modifications or amendments will not result in the reduction or withdrawal of any ratings currently assigned to the Rated Notes by such Rating Agency) from the applicable Rating Agency and the consent of the Controlling Class acting by Ordinary Resolution;

(xviii) subject to Rating Agency Confirmation (if required, as determined by the Collateral Manager acting in accordance with the standard of care specified in the Collateral Management Agreement and on the basis of material published by the applicable Rating Agency) and the consent of the Controlling Class acting by Ordinary Resolution, to make any modifications to (i) the Collateral Quality Tests, Portfolio Profile Tests, Reinvestment Criteria or Eligibility Criteria and all related definitions, (ii) the definitions of "Credit Improved Obligation", "Credit Impaired Obligation", "Defaulted Obligation" and "Exchanged Security", (iii) any defined term in the Conditions or the other Transaction Documents that begins with or includes the word "Fitch" or "Moody's", (iv) the restrictions on the sale of Collateral Debt Obligations as set out in "*The Portfolio – Management of the Portfolio – Sale of Collateral Debt Obligations*" (other than the calculation of the Portfolio Profile Tests and the Collateral Quality Tests) and (v) the restrictions on and modifications of Collateral Debt Obligations as set out in "*The Portfolio – Management of the Portfolio – Amendments to the Collateral Debt Obligations Stated Maturities of Collateral Debt Obligations*";

(xix) to make any changes necessary to permit any additional issuances of Notes or to issue replacement notes in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xx) to (i) evidence any waiver or modification by any Rating Agency in its rating methodology or as to any requirement or condition, as applicable, of such Rating Agency set out in the Transaction Documents subject to receipt of Rating Agency Confirmation

(if required, as determined by the Collateral Manager acting in accordance with the standard of care specified in the Collateral Management Agreement and on the basis of material published by the applicable Rating Agency) from the Rating Agency to which such waiver, modification, requirement or condition relates or (ii) to otherwise conform any Transaction Document to the Prospectus;

(xxi) to modify the Transaction Documents in order to comply with Rule 17g-5 of the Exchange Act;

(xxii) to modify the terms of the Transaction Documents in order that they may be consistent with the requirements of the Rating Agencies, including to address any change in the rating methodology employed by either Rating Agency and to conform to ratings criteria and other guidelines (including, without limitation, any alternative methodologies published by either of the Rating Agencies or any of the Rating Agencies' credit models or guidelines for ratings determination) applied by the Rating Agencies;

(xxiii) to make such changes as shall be necessary to facilitate the Issuer to effect a Refinancing in part in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xxiv) to reduce the permitted Minimum Denomination of the Notes; provided that any such reduction in Minimum Denomination shall not be materially prejudicial to (i) in the opinion of the Trustee, the interests of the Noteholders of any Class or (ii) in the opinion of the Issuer, the Issuer (in respect of any legal or regulatory requirement or tax treatment of the Issuer);

(xxv) to make any other modification of any of the provisions of the Trust Deed, the Collateral Management Agreement or any other Transaction Document to comply with changes in the EU Retention Requirements or the requirements of Solvency II or which result from the implementation of the implementing technical standards relating thereto or any subsequent risk retention or securitisation transparency legislation or applicable official guidance;

(xxvi) to make any such changes as are necessary to facilitate the transfer of any Hedge Agreement to a replacement counterparty or the roles of any Agent to a replacement agent, in each case in circumstances where such Hedge Counterparty or Agent does not satisfy the applicable Rating Requirement and subject to such replacement counterparty or agent (as applicable) satisfying the applicable requirements in the Transaction Documents;

(xxvii) to evidence the succession of another person to the Issuer and the assumption by any such successor person of the covenants of the Issuer in the Transaction Documents and in the Notes, provided that any such successor issuer shall not have a worse position than the Issuer in respect of any tax, legal or regulatory requirement or tax treatment;

(xxviii) subject to certification of the necessity of such amendment by the Issuer to the Trustee (upon which certification the Trustee shall be entitled to rely absolutely and without enquiry or liability) to amend, modify or otherwise accommodate changes to any Transaction Document relating to the administrative procedures for reaffirmation of ratings on the Notes as required by the rating criteria of the Rating Agencies;

(xxix) to make any change necessary to prevent the Issuer from falling within the definition of a "commodity pool" under the CEA or the Collateral Manager from falling within the definition of a CPO and/or a CTA;

(xxx) to accommodate the settlement of the Notes in book entry form through the facilities of DTC and/or Euroclear and/or Clearstream, Luxembourg;

(xxxi) to change the date within the month on which reports are required to be delivered;

(xxxii) to make any other modification of any of the provisions of the Trust Deed, the Collateral Management Agreement or any other Transaction Document to comply with CRA3 or which result from the implementation of the implementing technical standards relating thereto;

(xxxiii) to modify the terms of the Transaction Documents (including but not limited to any Hedge Agreements) and/or the Conditions in order to enable the Issuer to comply with any requirements of the CFTC or in relation to the Dodd-Frank Act (including, without limitation, the Volcker Rule), subject to receipt by the Trustee of a certificate of the Issuer certifying to the Trustee that the requested amendments are to be made solely for the purpose of enabling the Issuer to comply with CFTC requirements or the Dodd-Frank Act (upon which certification the Trustee shall be entitled to rely absolutely and without further enquiry and without liability);

(xxxiv) to modify the terms of the Transaction Documents (including but not limited to any Hedge Agreement) and/or the Conditions in order to enable the Issuer to comply with any requirements in respect of EMIR, subject to receipt by the Trustee of a certificate of the Issuer certifying to the Trustee that the requested amendments are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under EMIR (upon which certification the Trustee shall be entitled to rely absolutely and without further enquiry and without liability);

(xxxv) to modify the terms of the Transaction Documents (including but not limited to any Hedge Agreement) and/or the Conditions in order to enable the Issuer to comply with any requirements in respect of AIFMD, subject to receipt by the Trustee of a certificate of the Issuer certifying to the Trustee that the requested amendments are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under AIFMD (upon which certification the Trustee shall be entitled to rely absolutely and without further enquiry and without liability);

(xxxvi) to modify the terms of the Transaction Documents (including but not limited to any Hedge Agreement) and/or the Conditions in order to enable the Issuer to comply with any requirements in respect of the Securitisation Regulation, subject to receipt by the Trustee of a certificate of the Issuer certifying to the Trustee that the requested amendments are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under Securitisation Regulation (upon which certification the Trustee shall be entitled to rely absolutely and without enquiry and without liability);

(xxxvii) subject to Rating Agency Confirmation (other than to the extent otherwise permitted pursuant to paragraphs (xxxiii), (xxxiv), (xxxv) and (xxvi) of this Condition 14(c) (Modification and Waiver) above), to amend, modify or supplement any Hedge Agreement to the extent necessary to allow the Issuer or the relevant Hedge Counterparty to comply with any enactment, promulgation, execution or ratification of, or any change in or amendment to, any law or regulation (or in the application or official interpretation of any law or regulation) that occurs after the parties enter into the Hedge Agreement, provided that Rating Agency Confirmation shall not be required in the event that the relevant Hedge Agreement will be a Form Approved Asset Swap or Form Approved Interest Rate Hedge (as applicable) following such amendment, modification or supplement;

(xxxviii) to make such modifications to the provisions of the Collateral Management Agreement and the Conditions as the Collateral Manager has certified to the Trustee (upon which certificate the Trustee may rely absolutely and without enquiry or liability) are necessary

in order to calculate the amounts due on any unscheduled Payment Date directed under Condition 3(l) (*Unscheduled Payment Dates*);

(xxxix) to modify the terms of any Hedge Agreements in order to enable the Issuer and/or a Hedge Counterparty to comply with any regulatory requirements applicable to it which come into force after the Issue Date;

(xl) to make any other modification of any of the provisions of the Trust Deed, the Collateral Management Agreement or any other Transaction Document which, in the opinion of the Trustee, is of a formal, minor or technical nature or is made to correct a manifest error or is expressly provided for in such Transaction Document; and

(xli) to make any other modification (save as otherwise provided in the Trust Deed, the Collateral Management Agreement or the relevant Transaction Document), and/or give any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any other Transaction Document, which in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders of any Class.

Any such modification, amendment, supplement, authorisation or waiver shall be binding on the Noteholders and shall be notified by the Issuer as soon as reasonably practicable following the execution of any trust deed supplemental to the Trust Deed or any other modification, authorisation or waiver pursuant to this Condition 14(c) (*Modification and Waiver*) to:

(A) so long as any of the Notes rated by the Rating Agencies remains Outstanding, the Rating Agencies; and

(B) the Noteholders in accordance with Condition 16 (*Notices*).

Notwithstanding anything to the contrary herein and in the Trust Deed, the Issuer shall not agree to amend, modify or supplement any provisions of the Transaction Documents if such change shall have a material adverse effect on the rights or obligations of a Hedge Counterparty without the Hedge Counterparty's prior written consent.

The Issuer shall notify each Hedge Counterparty of any proposed amendment to any provisions of the Transaction Documents and seek the consent of such Hedge Counterparty in respect thereof, in each case to the extent required in accordance with and subject to these Conditions and the terms of the relevant Hedge Agreement. For the avoidance of doubt, such notice shall only be given and such consent shall only be sought to the extent required in accordance with and subject to the terms of these Conditions and the relevant Hedge Agreement and, where such consent is sought, any such amendment shall only be made following the expiry of the notice

For the avoidance of doubt, the Trustee shall, subject to the following paragraph, without the consent or sanction of any of the Noteholders (save where specified above) or any other Secured Party, concur with the Issuer, in making any modification, amendment, waiver or supplement pursuant to the paragraphs above (save for modifications, amendments, waivers or supplements in accordance with paragraphs (xiii), (xxiv), (xl) and (xli) above) to the Transaction Documents which the Issuer or the Collateral Manager certifies to the Trustee is required pursuant to the paragraphs above (other than paragraphs (xiii), (xxiv), (xl) and (xli)) (upon which certification the Trustee is entitled to rely absolutely and without further enquiry and without liability) *provided that* the Trustee shall not be obliged to agree to any modification which, in the opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, rights, powers or indemnities of the Trustee in respect of the Transaction Documents.

In the case of a modification, amendment, waiver or supplement pursuant to paragraphs (xiii), (xxiv), (xl) and (xli) above, the Trustee may impose such conditions as it sees fit and *provided that* the Trustee shall not be required to give its consent in relation to paragraphs (xiii), (xxiv), (xl) and (xli) on less than 21 days' notice and the Trustee shall be entitled to obtain legal, financial or other expert advice, at the expense of the Issuer, and rely on such advice in connection with determining whether or not to give such consent as it sees fit.

(d) Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require (without the consent of the Noteholders of any Class), to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes of each Class, if required for taxation purposes, *provided that* such substitution would not, in the opinion of the Trustee, be materially prejudicial to the interests of the Noteholders of any Class. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, but subject to receipt of Rating Agency Confirmation (subject to receipt of such information and/or opinions as the Rating Agencies may require), to a change of the law governing the Notes and/or the Trust Deed, *provided that* such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of any Class. Any substitution agreed by the Trustee pursuant to this Condition 14(d) (*Substitution*) shall be binding on the Noteholders, and shall be notified by the Issuer to the Noteholders as soon as practicable in accordance with Condition 16 (*Notices*).

The Trustee may, subject to the satisfaction of certain conditions specified in the Trust Deed, including receipt of Rating Agency Confirmation, agree to a change in the place of residence of the Issuer for taxation purposes without the consent of the Noteholders of any Class, provided the Issuer does all such things as the Trustee may require in order that such change in the place of residence of the Issuer for taxation purposes is fully effective and complies with such other requirements which are in the interests of the Noteholders as it may reasonably direct.

The Issuer shall procure that, so long as the Notes are listed on the Main Securities Market any material amendments or modifications to the Conditions of the Notes, the Trust Deed or such other conditions made pursuant to this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) shall be notified to the Irish Stock Exchange.

(e) Entitlement of the Trustee and conflicts of interest

In connection with the exercise of its trusts, powers, duties and discretions (including but not limited to those referred to in this Condition 14(e) (*Entitlement of the Trustee and conflicts of interest*), the Trustee shall have regard to the interests of each Class of Noteholders as a Class and shall not have regard to the consequences of such exercise for individual Noteholders of such Class and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders except to the extent already provided for in Condition 9 (*Taxation*).

The Trust Deed provides that in the event of any conflict of interest between or among the holders of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes, the interests of the holders of the Controlling Class will prevail. If the holders of the Controlling Class do not have an interest in the outcome of the conflict, the Trustee shall give priority to the interests of (i) the Class B Noteholders over the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, (ii) the Class C

Noteholders over the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, (iii) the Class D Noteholders over the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders; (iv) the Class E Noteholders over the Class F Noteholders and the Subordinated Noteholders; and (v) the Class F Noteholders over the Subordinated Noteholders. If the Trustee receives conflicting or inconsistent requests from two or more groups of holders of a Class, given priority as described in this paragraph, each representing less than the majority by principal amount of such Class, the Trustee shall give priority to the group which holds the greater aggregate principal amount of Notes Outstanding of such Class. The Trust Deed provides further that the Trustee will act upon the directions of the holders of the Controlling Class (or other Class given priority as described in this paragraph) in such circumstances subject to being indemnified and/or secured and/or prefunded to its satisfaction, and shall not be obliged to consider the interests of and is exempted from any liability to the holders of any other Class of Notes.

In addition, the Trust Deed provides that, so long as any Note remains Outstanding, the Trustee shall, as regards all the powers, trusts, authorities, duties and discretions vested in it by the Trust Deed or the other Transaction Documents except where expressly provided otherwise, have no regard to the interests of any Secured Party other than the Noteholders or, at any time, to the interests of any other person and no Secured Party shall have any claim against the Trustee for so doing.

The Issuer may, without the consent of any other Person, make such amendments to the Corporate Services Agreement as shall be necessary to document the resignation, replacement and/or appointment of one or more Directors, provided that following such amendments, such documents shall be in substantially the same form as those entered into on the Issue Date. Upon the effectiveness of such amendments, the Issuer shall provide notice thereof to the Trustee and each of the other parties to the Corporate Services Agreement.

15. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility in certain circumstances, including provisions relieving it from instituting proceedings to enforce repayment or to enforce the security constituted by or pursuant to the Trust Deed, unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer or any other party to any Transaction Document and any entity related to the Issuer or any other party to any Transaction Document without accounting for any profit. The Trustee is exempted from any liability in respect of any loss or theft or reduction of value of the Collateral from any obligation to insure, or to monitor the provisions of any insurance arrangements in respect of, the Collateral (for the avoidance of doubt, under the Trust Deed the Trustee is under no such obligation) and from any claim arising from the fact that the Collateral is held by the Custodian or is otherwise held in safe custody by a bank or other custodian. The Trustee shall not be responsible for the performance by the Custodian of any of its duties under the Agency Agreement or for the performance by the Collateral Manager of any of its duties under the Collateral Management Agreement, for the performance by the Collateral Administrator of its duties under the Collateral Management Agreement or for the performance by any other person appointed by the Issuer in relation to the Notes or by any other party to any Transaction Document. The Trustee shall not have any responsibility for the administration, management or operation of the Collateral including the request by the Collateral Manager to release any of the Collateral from time to time.

The Trust Deed contains provisions for the retirement of the Trustee and the removal of the Trustee by Extraordinary Resolution of the Controlling Class, but no such retirement or removal shall become effective until a successor trustee is appointed.

16. Notices

Notices to Noteholders will be valid if posted to the address of such Noteholder appearing in the Register at the time of publication of such notice by pre-paid, first class mail (or any other manner approved by the Trustee which may be by electronic transmission) and (for so long as the Notes are listed on the Main Securities Market and the rules of the Irish Stock Exchange so require) shall be sent to the Irish Stock Exchange. Any such notice shall be deemed to have been given to the Noteholders (a) in the case of inland mail three days after the date of dispatch thereof, (b) in the case of overseas mail, seven days after the dispatch thereof or, (c) in the case of electronic transmission, on the date of dispatch.

The Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders (or a category of them) if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Notes are then listed and *provided that* notice of such other method is given to the Noteholders in such manner as the Trustee shall require.

Notwithstanding the above, so long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to Noteholders shall be given by, and shall be deemed to have been delivered to, such Noteholders upon delivery of the relevant notice to that clearing system for communication by it to entitled account holders in substitution for delivery thereof as required by the Conditions, provided that such notice is also made to the Company Announcement Office of the Irish Stock Exchange for so long as such Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require (and such notice shall be deemed given to the Noteholder upon such delivery by or on behalf of the Issuer).

With respect to any notice period set out in these Conditions (and to the extent not otherwise provided or contemplated in these Conditions), such period may be shortened with the consent of each party (or, in the case of notices to the Noteholders, with the consent of each relevant Class of Noteholders acting independently by Ordinary Resolution) required to receive such notice.

17. Additional Issuance

(a) Further Notes of Existing Classes

The Issuer may from time to time, subject to the approval of the Class A Noteholders acting by Ordinary Resolution (for so long as any Class A Notes are Outstanding), the approval of the Subordinated Noteholders acting by Ordinary Resolution and the separate approval of the Retention Holder and the Collateral Manager create and issue further Notes having the same terms and conditions as existing Classes of Notes (subject as provided below) and which shall be consolidated and form a single series with the Outstanding Notes of such Class (unless otherwise provided), and will use the proceeds of sale thereof to purchase additional Collateral Debt Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Debt Obligations, *provided that* the following conditions are met:

(i) such additional issuances in relation to the applicable Class of Notes may not exceed 100 per cent. in the aggregate of the original aggregate principal amount of such Class of Notes;

(ii) such additional Notes must be issued for a cash sale price and the net proceeds invested in Collateral Debt Obligations or, pending such investment, during the Initial Investment Period deposited in the Unused Proceeds Account or, thereafter, deposited in the Principal Account and, in each case, invested in Eligible Investments;

(iii) such additional Notes must be of each Class of Notes and, unless the Issuer has received Rating Agency Confirmation from each Rating Agency then rating any Notes, issued in a proportionate amount among the Classes so that the relative proportions of aggregate principal amount of the Classes of Notes existing immediately prior to such additional issuance remain unchanged immediately following such additional issuance;

(iv) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Notes must be identical to the terms of the previously issued Notes of the applicable Class of Notes;

(v) the Issuer must obtain Rating Agency Confirmation from each Rating Agency then rating any Notes in respect of such additional issuance;

(vi) (A) the Coverage Tests are satisfied or, if not satisfied, the Coverage Tests will be maintained or improved after giving effect to such additional issuance of Notes by reference to the outcome of such tests immediately prior to such additional issuance of Notes and (B) following the Effective Date, after giving effect to such additional issuance of Notes, the Par Value Ratio in respect of each Class of Notes will not be lower than the Par Value Ratio in respect of each Class of Notes as of the Effective Date;

(vii) the holders of the relevant Class of Notes in respect of which further Notes are issued shall have been notified in writing by the Issuer no later than 30 days prior to such issuance and shall have been afforded the opportunity to purchase additional Notes of the relevant Class in an amount not to exceed the percentage of the relevant Class of Notes each holder held immediately prior to the issuance (the "**Anti-Dilution Percentage**") of such additional Notes and on the same terms offered to investors generally;

(viii) (so long as the existing Notes of the Class of Notes to be issued are listed on the Main Securities Market) the additional Notes of such Class to be issued are in accordance with the requirements of the Irish Stock Exchange and are listed on the Main Securities Market (for so long as the rules of the Irish Stock Exchange so requires);

(ix) such additional issuances are in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer;

(x) the Issuer and the Trustee will have received advice of tax counsel of nationally recognised standing in the United States experienced in such matters to the effect that any additional Class A Notes, Class B Notes, Class C Notes, and Class D Notes will be treated, and any additional Class E Notes should be treated, as indebtedness for U.S. federal income tax purposes, provided, however, that the advice of tax counsel described in this Condition 17(a)(x) (*Additional Issuance*) will not be required with respect to any additional Notes that bear a different International Securities Identification Number ("**ISIN**") (or equivalent identifier) from the Notes of the same Class that were issued on the Issue Date and are Outstanding at the time of the additional issuance;

(xi) any issuance of additional Notes shall be accomplished in a manner that will allow the Issuer to provide the information described in United States Treasury Regulation Section 1.1275-3(b)(1) to the holders of such additional Notes (including, if necessary, by issuing any additional Notes under a different securities identifier from the Notes of the same Class that were issued on the Issue Date and are Outstanding at the time of the additional issuance); and

(xii) the Retention Holder consenting to purchase a sufficient amount of each Class of Notes which are the subject of such additional issuance such that its holding equals no less than 5 per cent. of the nominal value of such Class or Classes of Notes.

(b) Further Subordinated Notes

In addition to the requirements in (a) above, the Issuer may issue and sell additional Subordinated Notes (without issuing Notes of any other Class) *provided that*:

(i) the Issuer has received the prior written consent of the Collateral Manager to such issuance and sale of additional Subordinated Notes;

(ii) the subordination terms of such Subordinated Notes are identical to the terms of the previously issued Subordinated Notes;

(iii) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Subordinated Notes must be identical to the terms of the previously issued Subordinated Notes;

(iv) such additional Subordinated Notes are issued for a cash sale price (the net proceeds to be applied towards the Permitted Uses);

(v) the Issuer must notify the Rating Agencies then rating any Notes of such additional issuance;

(vi) the holders of the Subordinated Notes shall have been notified in writing by the Issuer no later than 30 days prior to such issuance and shall have been afforded the opportunity to purchase additional Subordinated Notes in an amount not to exceed the Anti-Dilution Percentage of such additional Subordinated Notes and on the same terms offered to investors generally;

(vii) such additional issuance is in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer; and

(viii) the Retention Holder consenting to purchase a sufficient amount of the Subordinated Notes which are the subject of such additional issuance such that its holding equals no less than 5 per cent. of the nominal value of such Class.

(c) Further Classes of Notes

In addition to (a) and (b) above, the Issuer may from time to time, subject to the approval of the Subordinated Noteholders acting by Ordinary Resolution and subject to the separate approval in writing of the Retention Holder and the Collateral Manager, create and issue new Notes having substantially the same terms and conditions as existing Classes of Notes (subject as provided below), and will use the proceeds of sale thereof to purchase additional Collateral Debt Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Debt Obligations, *provided that* the following conditions are met:

(i) such new Class or Classes of Notes will be subordinate in the payment of interest and principal to the most junior Class of Notes then Outstanding (other than the Subordinated Notes);

(ii) such new Notes must be issued for a cash sale price and the net proceeds invested in Collateral Debt Obligations or, pending such investment, during the Initial Investment Period deposited in the Unused Proceeds Account or, thereafter, deposited in the Principal Account and, in each case, invested in Eligible Investments;

(iii) subject to (i) above, the terms (other than the date of issuance, the issue price, the Interest Amount and the date from which interest will accrue) of such new Notes must be

substantially identical to the terms of previously issued Notes, *provided that* such new Notes may be unsecured notwithstanding that the previously issued Notes are secured;

(iv) the Issuer must notify the Rating Agencies then rating any Notes of such new issuance;

(v) the Coverage Tests are satisfied or, if not satisfied, the Coverage Tests will be maintained or improved after giving effect to such issuance of new Notes;

(vi) (so long as the existing Notes are listed on the Main Securities Market) the new Notes to be issued are in accordance with the requirements of the Irish Stock Exchange and are listed on the Main Securities Market (for so long as the rules of the Irish Stock Exchange so requires);

(vii) such new issuances are in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer; and

(viii) the Retention Holder consenting to purchase a sufficient amount of each Class of Notes which are the subject of such new issuance such that its holding equals no less than 5 per cent. of the nominal value of such Class or Classes of Notes.

References in these Conditions to the "**Notes**" include (unless the context requires otherwise) any other notes issued pursuant to this Condition 17 (*Additional Issuance*). Any further securities issued pursuant to this Condition 17 (*Additional Issuance*) shall be constituted by a deed supplemental to the Trust Deed.

18. Third Party Rights

No person shall have any right to enforce any term or Condition of the Note under the Contracts (Rights of Third Parties) Act 1999.

19. Governing Law

(a) Governing Law

The Trust Deed and each Class of Notes and any dispute, controversy, proceedings or claim of whatever nature (whether contractual or non-contractual) arising out of or in any way relating to the Trust Deed or any Class of Notes are governed by and shall be construed in accordance with English law.

(b) Jurisdiction

The courts of England are to have jurisdiction to settle any disputes (whether contractual or non-contractual) which may arise out of or in connection with the Notes, and accordingly any legal action or proceedings arising out of or in connection with the Notes ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Noteholders and the Trustee and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Agent for Service of Process

The Issuer appoints Maples and Calder (having an office, at the date hereof, at 11th Floor, 200 Aldersgate Street, London, EC1A 4HD, United Kingdom) as its agent in England to

receive service of process in any Proceedings in England based on any of the Notes. If for any reason the Issuer does not have such agent in England, it will promptly appoint a substitute process agent and notify the Trustee and the Noteholders of such appointment. Nothing herein shall affect the right to service of process in any other manner permitted by law.

USE OF PROCEEDS

The net proceeds of the issue of the Notes after payment of fees and expenses payable on or about the Issue Date (and after, without duplication, amounts are deposited into the Expense Reserve Account) are expected to be approximately €463,800,000.

Such proceeds will be used by the Issuer for the repayment of any amounts borrowed by the Issuer (together with any interest thereon) and all other amounts due in order to finance the acquisition of warehoused Collateral Debt Obligations purchased by the Issuer prior to the Issue Date. The remaining proceeds shall be retained in the Unused Proceeds Account; *provided that* €3,100,000 of the proceeds will be transferred to the Interest Reserve Account on or about the Issue Date.

FORM OF THE NOTES

References below to Notes and to the Global Certificates and the Definitive Certificates representing such Notes are to each respective Class of Notes, except as otherwise indicated.

Initial Issue of Notes

The Regulation S Notes of each Class including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class, will be represented on issue by a Regulation S Global Certificate deposited with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Regulation S Global Certificate may be held at any time only through Euroclear or Clearstream, Luxembourg. See "Book Entry Clearance Procedures". Beneficial interests in a Regulation S Global Certificate may not be held by a U.S. Person or U.S. Resident at any time. By acquisition of a beneficial interest in a Regulation S Global Certificate, the purchaser thereof will be deemed to represent, among other things, that it is not a U.S. Person, and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest only to a person whom the seller reasonably believes (a) to be a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, or (b) to be a person who takes delivery in the form of an interest in a Rule 144A Note. See "*Transfer Restrictions*".

The Rule 144A Notes of each Class including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class, will be represented on issue by a Rule 144A Global Certificate deposited with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Rule 144A Global Certificate may only be held at any time only through Euroclear or Clearstream, Luxembourg. See "Book Entry Clearance Procedures". By acquisition of a beneficial interest in a Rule 144A Global Certificate, the purchaser thereof will be deemed to represent, amongst other things, that it is a QIB/QP and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest in accordance with the procedures and restrictions contained in the Trust Deed. See "Transfer Restrictions".

Beneficial interests in Global Certificates will be subject to certain restrictions on transfer set out therein and in the Trust Deed and as set out in Regulation S and Rule 144A, and the Notes will bear the applicable legends regarding the restrictions set out under "Transfer Restrictions". In the case of each Class of Notes, a beneficial interest in a Regulation S Global Certificate may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate only upon receipt by a Transfer Agent of a written certification (in the form provided in the Trust Deed) to the effect that the transferor reasonably believes that the transferee is a QIB/QP and that such transaction is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. Beneficial interests in the Rule 144A Global Certificates may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate only upon receipt by a Transfer Agent of a written certification (in the form provided in the Trust Deed) from the transferor to the effect that the transfer is being made to a non-U.S. Person in an offshore transaction and in accordance with Regulation S.

Any beneficial interest in a Regulation S Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate will, upon transfer, cease to be an interest in such Regulation S Global Certificate and become an interest in the Rule 144A Global Certificate, and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Rule 144A Global Certificate for as long as it remains such an interest. Any beneficial interest in a Rule 144A Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate will, upon transfer, cease to be an interest in a Rule 144A Global Certificate and become an interest in the Regulation S Global Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures

applicable to beneficial interests in a Regulation S Global Certificate for so long as it remains such an interest. No service charge will be made for any registration of transfer or exchange of Notes, but the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

A beneficial interest in a Rule 144A Global Certificate that represents CM Non-Voting Exchangeable Notes may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate that represents CM Voting Notes or CM Non-Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate only upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

A beneficial interest in a Rule 144A Global Certificate that represents CM Voting Notes may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate that represents CM Non-Voting Exchangeable Notes or CM Non-Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate only upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

A beneficial interest in a Rule 144A Global Certificate that represents CM Non-Voting Notes may only be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate that represents CM Non-Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor and may not be exchanged for an interest in a Rule 144A Global Certificate that represents CM Voting Notes or CM Non-Voting Exchangeable Notes at any time.

A beneficial interest in a Regulation S Global Certificate that represents CM Non-Voting Exchangeable Notes may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate that represents CM Voting Notes or CM Non-Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Regulation S Global Certificate only upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

A beneficial interest in a Regulation S Global Certificate that represents CM Voting Notes may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate that represents CM Non-Voting Exchangeable Notes or CM Non-Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Regulation S Global Certificate only upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

A beneficial interest in a Regulation S Global Certificate that represents CM Non-Voting Notes may only be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate that represents CM Non-Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Regulation S Global Certificate upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

In addition to any exchange made at the time of a transfer request as described above, CM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into CM Non-Voting Exchangeable Notes or CM Non-Voting Notes. CM Non-Voting Exchangeable Notes shall be exchangeable (a) upon request by the relevant Noteholder at any time into CM Non-Voting Notes or (b) into CM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor upon request of the relevant transferee or transferor and in no other circumstance.

CM Non-Voting Notes shall not be exchangeable at any time into CM Voting Notes or CM Non-Voting Exchangeable Notes.

Except in the limited circumstances described below, owners of beneficial interests in Global Certificates will not be entitled to receive physical delivery of certificated Notes.

A transferee of a Class E Note, Class F Note or Subordinated Note will be deemed to represent (among other things) that it is not and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of) a Benefit Plan Investor or a Controlling Person. If a transferee is unable to make such deemed representation, such transferee may not acquire such Class E Note, Class F Note or Subordinated Note unless such transferee: (i) obtains the written consent of the Issuer and (ii) provides an ERISA certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person (substantially in the form of Annex A).

The Notes are not issuable in bearer form

Amendments to Terms and Conditions

Each Global Certificate contains provisions that apply to the Notes that they represent, some of which modify the effect of the Terms and Conditions of the Notes in definitive form (see "Terms and Conditions of the Notes"). The following is a summary of those provisions:

Payments: Payments of principal and interest in respect of Notes represented by a Global Certificate will be made against presentation and, if no further payment falls to be made in respect of the relevant Notes, surrender of such Global Certificate to or to the order of the Principal Paying Agent or such other Transfer Agent as shall have been notified to the relevant Noteholders for such purpose. On each occasion on which a payment of interest (unless the Notes represented thereby do not bear interest) or principal is made in respect of the relevant Global Certificate, the Registrar shall note the same in the Register and cause the aggregate principal amount of the Notes represented by a Global Certificate to be decreased accordingly.

Notices: So long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to Noteholders shall be given by delivery of the relevant notice to that clearing system for communication by it to entitled account holders in substitution for delivery thereof as required by the Conditions of such Notes provided that such notice is also made to the Irish Stock Exchange for so long as such Notes are listed on the Main Securities Market and the rules of the Irish Stock Exchange so require. Such notice will be deemed to have been given to the Noteholders on the date of delivery of the relevant notice to the relevant clearing system.

Prescription: Claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by a Global Certificate will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the date on which any payment first becomes due.

Meetings: The holder of each Global Certificate will be treated as being one person for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Noteholders and, at any such meeting, as having one vote in respect of each €1,000 of principal amount of Notes for which the relevant Global Certificate may be exchanged.

Trustee's Powers: In considering the interests of Noteholders while the Global Certificates are held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its account holders with entitlements to each Global Certificate and may consider such interests as if such account holders were the holders of any Global Certificate.

Cancellation: Cancellation of any Note required by the Terms and Conditions of the Notes to be cancelled will be effected by reduction in the principal amount of the Notes on the Register, with a corresponding notation made on the applicable Global Certificate.

Optional Redemption: The Subordinated Noteholders' and the Controlling Class' option in Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption following Note Tax Event*) may be exercised by the holders of a Definitive Certificate or a Global Certificate (as applicable) representing the Subordinated Notes or the Controlling Class (as applicable) giving notice to the Principal Paying Agent of the principal amount of Subordinated Notes or Notes representing the Controlling Class (as applicable) in respect of which the option is exercised and presenting the applicable Definitive Certificate or Global Certificate as applicable, for endorsement of exercise within the time limit specified in Condition 7(b) (Optional Redemption) or 7(g) (*Redemption following Note Tax Event*) as the case may be.

Record Date: So long as any Notes are represented by Global Certificates the Record Date in respect thereof shall be the close of business on the Clearing System Business Day before the Payment Date.

"**Clearing System Business Day**" means a day on which all of the Clearing Systems are open for business.

Contributions: So long as any Class of Notes is represented by a Global Certificate, Contributions made by the Noteholders of that Class pursuant to Condition 2(k) (*Contributions*) may only be given in cash.

Exchange for Definitive Certificates

Exchange

Each Global Certificate will be exchangeable, free of charge to the holder, on or after its Definitive Exchange Date (as defined below), in whole but not in part, for Definitive Certificates if a Global Certificate is held (directly or indirectly) on behalf of Euroclear, Clearstream, Luxembourg or an alternative clearing system and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces its intention to permanently cease business or does in fact do so.

The Registrar will not register the transfer of, or exchange of interests in, a Global Certificate for Definitive Certificates during the period from (but excluding) the Record Date to (and including) the date for any payment of principal or interest in respect of the Notes.

"**Definitive Exchange Date**" means a day falling not less than 30 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Registrar and any Transfer Agent is located.

Delivery

In such circumstances, the relevant Global Certificate shall be exchanged in full for Definitive Certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar or any relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Definitive Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Global Certificate must provide the Registrar with (a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Certificates and (b) in the case of the Rule 144A Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange or, in the case of simultaneous sale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive Certificates issued in exchange for a

beneficial interest in the Rule 144A Global Certificate shall bear the legends applicable to transfers pursuant to Rule 144A, as set out under "Transfer Restrictions" below.

Legends

The holder of a Definitive Certificate in registered definitive form, as applicable, may transfer the Notes represented thereby in whole or in part in the applicable minimum denomination by surrendering it at the specified office of the Registrar or any Transfer Agent, together with the completed form of transfer and to the extent applicable, written consent of the Issuer and a duly completed ERISA certificate substantially in the form of Annex A to a Transfer Agent and the Issuer. Upon the transfer, exchange or replacement of a Definitive Certificate in registered definitive form, as applicable, bearing the legend referred to under "Transfer Restrictions" below, or upon specific request for removal of the legend on a Definitive Certificate in registered definitive form, as applicable, the Issuer will deliver only Definitive Certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Issuer and the Registrar such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set out therein are required to ensure compliance with the provisions of the Securities Act and the Investment Company Act.

BOOK ENTRY CLEARANCE PROCEDURES

The Issuer confirms that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by the Clearing Systems (as defined below), no facts have been omitted which would render the reproduced information inaccurate of misleading.

The information set out below has been obtained from sources that the Issuer believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. In particular, such information is subject to any change in or interpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the "**Clearing Systems**") currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Trustee, the Placement Agent or any Agent party to the Agency Agreement (or any Affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act), will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

Euroclear and Clearstream, Luxembourg

Custodial and depositary links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Notes and cross-market transfers of the Notes associated with secondary market trading (see "*Settlement and Transfer of Notes*" below).

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in such Global Certificates directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and together with Direct Participants, "**Participants**") through organisations which are accountholders therein.

Book Entry Ownership

Euroclear and Clearstream, Luxembourg

Each Regulation S Global Certificate and each Rule 144A Global Certificate will have an ISIN and a Common Code and will be registered in the name of, and deposited with, a nominee of the common depositary on behalf of, Euroclear and Clearstream, Luxembourg.

Relationship of Participants with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a Global Certificate must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the Issuer to the holder of such Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg. The

Issuer expects that, upon receipt of any payment in respect of Notes represented by a Global Certificate, the common depositary by whom such Note is held, or nominee in whose name it is registered, will immediately credit the relevant Participants' or accountholders' accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Global Certificate as shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in any Global Certificate held through such Direct Participants in any Clearing System will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Certificate and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Certificate in respect of each amount so paid. None of the Issuer, the Trustee or any Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in any Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Settlement and Transfer of Notes

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing System's records. The ownership interest of each actual purchaser of each such Note (the "**Beneficial Owner**") will in turn be recorded on the Direct Participant and Indirect Participant's records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes held within the Clearing System will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in any Global Certificate held within a Clearing System is exchanged for Definitive Certificates.

No Clearing System has knowledge of the actual Beneficial Owners of the Notes held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Trading between Euroclear and/or Clearstream, Luxembourg Participants

Secondary market sales of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

RATINGS OF THE NOTES

It is a condition of the issue and sale of the Notes that the Notes (except for the Subordinated Notes) be issued with at least the following ratings: the Class A Notes: Aaa(sf) from Moody's and AAAsf from Fitch; the Class B Notes: Aa2(sf) from Moody's and AAsf from Fitch; the Class C Notes: A2(sf) from Moody's and Asf from Fitch; the Class D Notes: Baa2(sf) from Moody's and BBBsf from Fitch; the Class E Notes: Ba2(sf) from Moody's and BBsf from Fitch and the Class F Notes: B1(sf) from Moody's and B-sf from Fitch. The Subordinated Notes being offered hereby will not be rated.

The ratings assigned to the Class A Notes and the Class B Notes address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes address the ultimate payment of principal and interest. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the applicable rating agency.

Moody's Ratings

The ratings assigned to the Rated Notes by Moody's are based upon its assessment of the probability that the Collateral Debt Obligations will provide sufficient funds to pay each such Class of Notes, based largely upon Moody's statistical analysis of historical default rates on debt obligations with various ratings, the asset and interest coverage required for such Class of Rated Notes (which in the case of a Class of Rated Notes is achieved through the subordination of each Class of Notes ranking below such Class of Rated Notes) and the diversification requirements that the Collateral Debt Obligations are required to satisfy.

Moody's ratings address the expected loss posed to investors by the legal final maturity on the Maturity Date. The structure allows for timely payment of interest and ultimate payment of principal with respect to the Class A Notes by the legal final maturity on the Maturity Date.

Moody's analysis of the likelihood that each Collateral Debt Obligation will default is based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as securities with lower ratings are added to the portfolio) and an additional default assumption to account for future fluctuations in defaults. Moody's then determines the level of credit protection necessary to achieve the expected loss associated with the rating of the structured securities, taking into account the expected volatility of the default rate of the portfolio based on the level of diversification by region, obligor and industry. There can be no assurance that the actual default rates on the Collateral Debt Obligations held by the Issuer will not exceed the rates assumed by Moody's in its analysis.

In addition to these quantitative tests, Moody's ratings take into account qualitative features of a transaction, including the experience of the Collateral Manager, the legal structure and the risks associated with such structure and other factors that they deem relevant.

Fitch Ratings

The ratings assigned to the Rated Notes by Fitch are based upon Fitch's statistical analysis of historical default rates on debt obligations with similar characteristics to the Collateral Debt Obligations and the various eligibility requirements that the Collateral Debt Obligations are required to satisfy.

Fitch analyses the likelihood that each Collateral Debt Obligation will default, based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as securities with lower ratings are added to the portfolio) and an additional default assumption to account for future fluctuations in defaults. Fitch then determines the level of credit protection necessary based on a specific percentile of the portfolio default distribution determined by the Fitch "Portfolio Credit Model" which takes into account the correlation between assets in the portfolio

based on the level of diversification by region, issuer and industry. The results of a statistical analysis are incorporated into a cash flow model built to mimic the structure of the transaction. In this regard, the results of several default scenarios, in conjunction with various qualitative tests (e.g. analysis of the strength of the Collateral Manager), are used to determine the credit enhancement required to support a particular rating.

Fitch's ratings of the Rated Notes were established under various assumptions and scenarios.

There can be no assurance that actual defaults on the Collateral Debt Obligations will not exceed those assumed by Fitch in its analysis, or that recovery rates with respect thereto (and consequently loss rates) will not defer from those assumed by Fitch.

In addition to those quantitative tests, Fitch ratings take into account qualitative features of a transaction, including the experience of the Collateral Manager, the legal structure and the risks associated with such structure and other factors that Fitch deems relevant.

THE ISSUER

Issuer

The Issuer is a special purpose vehicle established for the purpose of issuing asset backed securities and was incorporated in Ireland as a designated activity company limited by shares on 11 July 2016 under the Irish Companies Act 2014 (the "**Companies Act**") with the name of Oak Hill European Credit Partners V Designated Activity Company and with company registration number 585889. The Issuer has its registered office at 2nd Floor, Beaux Lane House Mercer Street Lower, Dublin 2, Ireland.

The authorised share capital of the Issuer is €100,000 divided into 100,000 ordinary shares of €1.00 each (the "**Shares**"). The Issuer has issued one Share, which is fully paid up and is held on trust by MaplesFS Trustees Ireland Limited (as "**Share Trustee**") under the terms of a declaration of trust (the "**Declaration of Trust**") dated 22 August 2016, whereby the Share Trustee holds the Share on trust for charitable purposes. The Share Trustee will have no beneficial interest in and will derive no benefit (other than its fees for acting as Share Trustee) from its holding of the shares of the Issuer. The Share Trustee will apply any income derived from the Issuer solely for the above purposes.

None of the Collateral Manager, the Collateral Administrator, the Trustee, the Arranger, the Placement Agent or any company affiliated with any of them, directly or indirectly, owns any of the share capital of the Issuer.

Directors

The directors of the Issuer and their respective business addresses and principal activities outside the Issuer are:

Name	Address	Principal Activities/Position
Ciaran Madigan	2nd Floor, Beaux Lane House Mercer Street Lower, Dublin 2	Company Director
Jarlath Canning	2nd Floor, Beaux Lane House Mercer Street Lower, Dublin 2	Company Director

The Secretary of the Issuer is: MFD Secretaries Limited.

The registered office of the Secretary of the Issuer is at 2nd Floor, Beaux Lane House Mercer Street Lower, Dublin 2, Ireland.

The registered office of the Issuer is at 2nd Floor, Beaux Lane House Mercer Street Lower, Dublin 2, Ireland.

The telephone number of the Issuer is: +353 1 697 3200.

Activities

The Issuer has not previously carried on any business or activities other than those incidental to its incorporation, the acquisition of the Portfolio, the Warehouse Arrangements, the authorisation and issue of the Notes and activities incidental to the exercise of its rights and compliance with its obligations under the Collateral Acquisition Agreements, the Notes, the Placement Agreement, the Agency Agreement, the Trust Deed, the Collateral Management Agreement, the Corporate Services Agreement, each Hedge Agreement and the other documents and agreements entered into in connection with the issue of the Notes and the purchase of the Portfolio.

Indebtedness

The Issuer has no indebtedness as at the date of this Prospectus, other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated herein (including the funding provided pursuant to the Warehouse Arrangements, which will be repaid in full on the Issue Date).

Auditors

The independent auditors of the Issuer are KPMG Ireland who are registered auditors regulated by the Institute of Chartered Accountants in Ireland.

THE COLLATERAL MANAGER

The Issuer confirms that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by the Collateral Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The information appearing in this section has been prepared by the Collateral Manager and has not been independently verified by the Issuer, the Placement Agent, the Arranger or any other party. None of the Issuer, the Placement Agent or any other party other than the Collateral Manager assume any responsibility for the accuracy, completeness or applicability of such information.

General

The Collateral Manager

Oak Hill Advisors (Europe), LLP, a limited liability partnership formed under the laws of England and Wales, will act as Collateral Manager.

The Collateral Manager is a subsidiary of Oak Hill Advisors, L.P., a Delaware limited partnership ("**Oak Hill Advisors**"). In performing its services under the Collateral Management Agreement, the Collateral Manager will also draw upon the personnel and other resources of Oak Hill Advisors and its affiliates.

The Collateral Manager was formed in July 2005. The Collateral Manager received authorisation by the UK Financial Services Authority (now known as the Financial Conduct Authority) with respect to the provision of investment products and services, including acting as collateral manager on collateralised debt obligations transactions, in January 2006. Such authorisation and regulation does not, however, provide any assurance as to the future performance of the Collateral Manager.

The Collateral Manager's principal office is located at 45 Pall Mall, London, SW1Y 5JG.

Oak Hill Advisors

Oak Hill Advisors and its affiliates, including the Collateral Manager, provide portfolio management for issuers of collateralised debt obligations and other investment funds, and business and institutional clients, as well as capital markets advisory services.

Oak Hill Advisors is led by Glenn R. August, William H. Bohnsack, Jr and Robert B. Okun. The investment professionals of Oak Hill Advisors have extensive experience managing CLOs, including serving as advisors to thirteen CLOs that are primarily collateralised by loans and other debt instruments of U.S.-based obligors, with current collateral assets of approximately $6.8 billion, and four CLOs primarily collateralised by loans and other debt instruments of European-based obligors, with current collateral assets of approximately $1.3 billion. In addition, six U.S.-based CLOs previously managed by Oak Hill Advisors were optionally redeemed in 2007, 2012, 2013, 2014, 2015 and 2016. The investment professionals of Oak Hill Advisors also participate in other investment management activities by managing pooled investment funds and separately managed accounts.

Oak Hill Advisors is a registered investment advisor. A copy of Part II of Oak Hill Advisors' most recent Form ADV and other information about Oak Hill Advisors is available upon request

The principal office of Oak Hill Advisors is located at 1114 Avenue of the Americas, New York, New York 10036.

Investment Approach

The Collateral Manager's investment philosophy stresses: (i) intensive credit analysis; (ii) relative value analysis; and (iii) active portfolio management. Intensive credit analysis is intended to be the

cornerstone of the Collateral Manager's investment strategy. Credit analysis includes: (i) business analysis, which involves a comprehensive fundamental evaluation of a company and includes historical and projected financial modelling; (ii) capital structure analysis, which evaluates the terms and structure of a company's debt and equity securities relative to the company's business risk; and (iii) valuation analysis, which considers the enterprise value of a company in both the public and private markets.

In addition, the Collateral Manager will attempt to identify relative value among industries, issuers and securities. This process focuses on evaluating the risks assumed by investors relative to the returns implied by asset prices. The Collateral Manager believes that different industries possess different components of risk, which may include cyclical, technology, litigation, regulatory, valuation, financing and other risks. Furthermore, the Collateral Manager believes that different companies possess different components of risk, which may include competitive, financial, management, ownership and other risks. Finally, each security or layer in an issuer's capital structure has a different measure of risk based on collateral, subordination, covenants, liquidity, interest rate sensitivity, amortisation and other considerations. Through relative value analysis, the Collateral Manager intends to evaluate these and other risks in identifying bank loans and high-yield debt securities that the Collateral Manager believes offer attractive risk-adjusted returns.

Finally, active portfolio management involves the continuous integration of credit and relative value analyses combined with, subject to the limitations in the Trust Deed, opportunistic management of the portfolio. The Collateral Manager believes that active portfolio management will be an important component of its investment strategy because market conditions and companies' credit quality continually change.

Credit Risk Mitigation

The Collateral Manager has internal policies and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation. The policies and procedures of the Collateral Manager in this regard broadly include the following:

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

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

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

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

(e) to the extent not subject to confidentiality restrictions and requirements of law and regulation, policies and procedures relating to the granting of readily available access to all materially relevant data on the credit quality and performance of the individual underlying exposures, cash flows and collateral supporting a securitisation exposure and to any information that is necessary to conduct comprehensive and well-informed stress tests on the cash flows and collateral values supporting the underlying exposures (as to which, see further the sections of

this Prospectus headed "*The Portfolio*" and "*Description of the Reports*", which describe the criteria used for selection of the Collateral Debt Obligations and the reports prepared and provided in respect of such Collateral Debt Obligations);

(f) to the extent not subject to confidentiality restrictions and requirements of law and regulation, policies and procedures relating to the granting of readily available access to all other relevant data necessary for an AIFM to comply with the applicable qualitative requirements (as to which, see further the sections of this Prospectus headed "*The Retention Holder and EU Retention Requirements*" and "*U.S. Credit Risk Retention*", which describes the ways in which the Collateral Manager is required to satisfy the EU Retention Requirements and the U.S. Risk Retention Rules and "*Description of the Reports*", which provides reporting requirements in respect of satisfaction of the EU Retention Requirements); and

(g) disclosure of the level of retained net economic interest, as well as any matters that could undermine the maintenance of the minimum required net economic interest (as to which, see further the sections of this Prospectus headed "*The Retention Holder and EU Retention Requirements*" and "*U.S. Credit Risk Retention*", which describes the ways in which the Collateral Manager is required to satisfy the EU Retention Requirements and the U.S. Risk Retention Rules, "*Description of the Reports*", which describes how compliance is periodically notified to Noteholders and "*Risk Factors – EU Risk Retention and Due Diligence Requirements*" and "*Risk Factors – Alternative Investment Fund Managers Directive*", which describe the risks in respect of satisfaction of the EU Retention Requirements and compliance with the AIFMD).

Biographies

Partners

Glenn R. August, Founder and Chief Executive Officer, has overall management responsibility for Oak Hill Advisors. In addition, he serves as global head of the firm's distressed investment activities. Mr. August co-founded the predecessor investment firm to Oak Hill Advisors in 1987 and took over responsibility for the firm's credit and distressed investment activities in 1990. He has played leadership roles in numerous restructurings and, since 1987, has served on nine corporate boards. Mr. August currently serves as the Chairman of the Board of Directors of OHA Investment Corporation, a publicly traded business development company ("**BDC**"). He also serves on the Board of Directors of Cooper-Standard Holdings Inc., the Board of Trustees of Horace Mann School and The Mount Sinai Medical Center and on the Board of Directors of the 92nd St. Y. Mr. August earned an M.B.A. from Harvard Business School, where he was a Baker Scholar, and a B.S. from Cornell University.

William H. Bohnsack, Jr., President and Senior Partner, has senior oversight of various activities of OHA, including strategic planning, business development and other non-investment functions. He chairs or serves on various firm committees including the risk management, investment strategy, valuation and ESG committees. Mr. Bohnsack joined OHA in 1993 as a high yield and distressed debt investor. He has represented OHA as a lead participant on numerous creditor committees. Mr. Bohnsack previously worked at Prudential Capital and Keystone Group as an investor in both the private and public credit markets. He currently serves on the Board of Trustees of the Darien Land Trust. Mr. Bohnsack earned an M.B.A. from the J.L. Kellogg Graduate School of Management at Northwestern University and a B.A., magna cum laude, from St. Lawrence University.

Robert B. Okun, Chief Investment Officer and Senior Partner, is responsible for the firm's overall investment strategy and has portfolio management oversight for select portfolios. Drawing on his more than 30 years of industry experience, Mr. Okun also serves as a senior member of the investment committee of various OHA-managed funds and customized mandates. Mr. Okun, along with Messrs. August, Bohnsack and Schrager, participates in the management of the firm and helps to define its long-term strategy. Prior to joining OHA in 2001, he was an Executive Vice President and member of the Executive Committee at USBancorp Libra, in charge of High Yield Sales, Trading and

Research. Previously, he was a Managing Director at UBS Securities, LLC where he was responsible for High Yield Sales and Trading. He began his career at Salomon Brothers Inc. Mr. Okun is currently a member of the Board of Directors, the Executive Committee and is Co-Chairperson of the Investment Committee for Lighthouse Guild. He is also a member of the Advisory Board of the Stanford Institute for Economic Policy Research (SIEPR). Mr. Okun earned an A.B. from Stanford University.

Alan M. Schrager, Portfolio Manager and Senior Partner, shares portfolio management responsibilities for a number of Oak Hill Advisors' portfolios. Previously, Mr. Schrager had senior research responsibility for investments in software, industrials, gaming, and middle market companies. Prior to joining Oak Hill Advisors in early 2003, he was a Managing Director of USBancorp Libra, where he was responsible for originating, evaluating and structuring private equity, mezzanine and debt transactions and also held several positions at Primary Network, a data CLEC, including Chief Financial Officer and Interim Chief Executive Officer. Mr. Schrager previously worked in the Leveraged Finance and High Yield Capital Markets group at UBS Securities, LLC. He currently serves on the Board of Directors of OHA Investment Corporation. Mr. Schrager earned an M.B.A. from The Wharton School of the University of Pennsylvania, and a B.A. from the University of Michigan.

Doug Henderson, Co-Head of European Investments and Partner, shares primary responsibility for directing Oak Hill Advisors' investments in European companies and co-managing the firm's European operations. Mr. Henderson has 28 years of experience in the industry, 16 of which have been in Europe. Prior to joining the firm, he was Chairman of the European Credit Finance Group in the Investment Banking Division at Goldman, Sachs & Co., with oversight of the firm's Europe, Middle East and Africa loan, high yield, restructuring, structured finance and real estate finance businesses. In addition, Mr. Henderson was a member of the bank's Firmwide Capital Committee and its Asian Capital Committee and served on the board of Goldman Sachs International Bank. He joined Goldman Sachs in 1999 and was named partner in 2004. Previously, Mr. Henderson co-founded and managed Merrill Lynch Asset Management's first non-investment grade loan fund, which he built into a $14 billion credit platform focused on senior debt, high yield and distressed securities. He served on numerous creditor committees and played a leadership role in many restructurings during that time. Prior to that Mr. Henderson worked in the leveraged buyout group at Security Pacific Merchant Bank. He earned a B.A. from Cornell University and an M.B.A. from the Johnson Graduate School of Management at Cornell.

Alexandra Jung, Co-Head of European Investments and Partner, shares primary responsibility for directing Oak Hill Advisors' investments in European companies and co-managing the firm's European operations. Prior to joining the firm, Ms. Jung was a Managing Director at Greywolf Capital Management, where she was responsible for investments in European performing and distressed credits and special situations. Previously, she managed investments in credit, distressed debt and equity as part of Goldman, Sachs & Co.'s European Special Situations Group. In addition, Ms. Jung worked at Houlihan Lokey Howard & Zukin in the Financial Restructuring Group. She currently serves on the board of Casual Dining Group (previously Tragus Group). Ms. Jung earned a Master of Management from the J.L. Kellogg Graduate School of Management at Northwestern University and a B.A., cum laude, from Bucknell University.

Adam B. Kertzner, Portfolio Manager and Partner, shares portfolio management responsibilities for a number of OHA multi-strategy and high yield portfolios. Mr. Kertzner works closely with the credit research and trading teams on the development and underwriting of investment opportunities. He is a member of the Investment Strategy and the ESG Committees. Mr. Kertzner joined OHA in 2002 as an investment analyst with a focus on automotive, gaming, paper and packaging and general industrial credits. He then served as OHA's head trader focusing on high yield and other asset classes. Prior to joining OHA, Mr. Kertzner worked at Donaldson, Lufkin and Jenrette and Credit Suisse First Boston in the Financial Sponsors Coverage group. He earned a B.A., cum laude, from Duke University.

Scott D. Krase, Senior Advisor, shares responsibility for portfolio management activities of certain Oak Hill Advisors investments in European companies. Mr. Krase has served as a lead participant on numerous creditor committees. In addition, he served two terms as Chairman of Loan Syndications and Trading Association (LSTA), an industry organization. Mr. Krase joined the firm in 1993. He previously worked at TSA Capital Management, where he was a portfolio manager responsible for global asset allocation. Mr. Krase also worked in the mergers and acquisitions departments of Gleacher & Co. and Salomon Brothers. He currently serves on the board of eNet. Mr. Krase holds a B.S., cum laude, from The Wharton School of the University of Pennsylvania and has earned the Chartered Financial Analyst designation.

T.K. Narayan, Head of Corporate Structured Products and Partner, serves as a portfolio manager focusing on various asset classes within the structured finance sector. At Lehman Brothers Inc., Mr. Narayan previously worked as a portfolio manager in the Structured Credit Investments Group where he was a Senior Vice President with a focus on secondary CDO investments. Prior to that, he was a part of Lehman's secondary CDO trading desk and has held responsibilities in the structured credit area including Quantitative Research, Modelling and Trading. Mr. Narayan holds a Ph.D. from the University of Pennsylvania and a B.Tech. from the Indian Institute of Technology Madras in Chennai, India.

Jason T. Serrano, Head of Mortgage Strategies and Partner, shares portfolio management responsibility for directing Oak Hill Advisors' structured product and whole loan investing and trading. Mr. Serrano previously served as a Principal at The Blackstone Group where he led the structured finance investment team. Prior to Blackstone, he spent nearly five years at Fortress Investment Group as a Vice President, assisting in the management of $2 billion distressed structured products and whole-loan portfolios. He also spent five years at Moody's as a rating analyst for CDOs and derivatives. He earned a B.S. from Oswego State University.

Fritz Thomas, Partner, shares responsibility for investment product marketing and client coverage. Prior to joining Oak Hill Advisors, Mr. Thomas worked at Deutsche Bank for ten years, most recently as Managing Director and head of global distribution for CDOs and other alternative products. Until his return to New York from London in June 2008, his duties also included management of Deutsche Bank's European CDO platform. He previously worked at Bankers Trust Company where he structured and syndicated corporate loans before joining the CDO Group. In addition, Mr. Thomas worked at Chemical Bank in a corporate lending function. He earned an M.B.A. from The Wharton School of the University of Pennsylvania and a B.A. from the University of Pennsylvania.

Carl L. Wernicke, Partner, has senior research responsibility for Oak Hill Advisors' investments in the energy and utilities industries. Prior to joining Oak Hill Advisors in 1999, he was a Vice President and High Yield Analyst at Goldman Sachs & Co. and UBS Securities, LLC where he was responsible for covering energy companies. Mr. Wernicke previously worked at SunAmerica, Inc. as a high yield securities portfolio manager. He earned an M.B.A. from University of Southern California and a B.S. from California State University.

Thomas S. Wong, Portfolio Manager and Partner, shares portfolio management responsibilities for a number of Oak Hill Advisors' funds. Previously he had senior research responsibility for the chemicals, consumer products, food and beverage, healthcare, industrials, retail and restaurants, services and telecommunications, media, cable and technology industries. Prior to joining Oak Hill Advisors, Mr. Wong worked at Deutsche Bank, where he was a member of the Debt Capital Markets group. He received a B.A., cum laude, from Harvard University and has earned the Chartered Financial Analyst designation.

Other Key Personnel: Investment Professionals

Harpreet S. Anand, Managing Director, serves as an investment analyst and has research responsibility for automotive, chemicals, metals & mining, and aerospace & defence industries. Prior to joining Oak Hill Advisors, Mr. Anand worked at Bear, Stearns & Co. Inc. in its Leveraged

Finance/Financial Sponsors Group. He earned a B.B.A., with high distinction, from the Stephen M. Ross School of Business at the University of Michigan.

Eitan Arbeter, Portfolio Manager & Managing Director, shares portfolio management responsibilities for stressed and distressed credit. Mr. Arbeter has served on numerous ad-hoc creditor committees, including on several steering committees. He joined OHA in 2005 and has spent the past seven years as a senior research analyst. In this time he has shared responsibility for OHA's distressed investments and covered the retail, restaurants, cable and telecommunications industries. Prior to joining OHA, Mr. Arbeter worked at Bear, Stearns & Co. Inc. in its Global Industrials Group. He earned a B.B.A, with Honors, from the Stephen M. Ross School of Business at the University of Michigan.

Alexis Atteslis, Managing Director, serves as an investment analyst with primary focus on European investments. Mr. Atteslis previously worked at Deutsche Bank in its European Leveraged Finance Group and at PricewaterhouseCoopers. He serves on the board of Caravel Shipping Ltd., Globalworth Real Estate Investments Limited and Odjfell Gas AS. Mr. Atteslis received an MA from the University of Cambridge and has earned a Chartered Accountant qualification with the Institute of Chartered Accountants in England and Wales.

Nadav Braun, Managing Director, serves as an investment analyst and has research responsibility for healthcare and software industries. Prior to joining Oak Hill Advisors, Mr. Braun was a Senior Vice President and Principal with Credit Research and Trading, a high yield trading boutique, where he served as an investment analyst. He previously worked as a research analyst at Quilcap Corp., a hedge fund, and began his career at Goldman, Sachs & Co. where he was a generalist in the Corporate Finance Group. Mr. Braun earned a B.A., magna cum laude, from Amherst College.

Jennifer Schultz Cohen, Leveraged Loan Trader and Managing Director, has primary responsibility for bank and leveraged loan trading and other aspects of managing Oak Hill Advisors' products. Ms. Cohen previously worked at Standard Asset Management where she was a Portfolio Manager of the firm's U.S. high yield portfolio and the U.S. component of the firm's leveraged loan portfolio. She was also a member of the firm's Internal Credit Committee. Ms. Cohen earned a B.B.A. from The Goizueta Business School at Emory University and is a Certified Public Accountant.

Jeff Dudas, Managing Director, serves as an investment analyst with primary focus on the structured product sector. Prior to joining Oak Hill Advisors, Mr. Dudas worked at Morgan Stanley for fourteen years, including five years in London, where he was Managing Director and head of the CLO Trading Desk. He earned a B.S. in Economics from Duke University.

Eric Karp, Managing Director, shares primary responsibility for guiding the firm's activities in private lending. Mr. Karp previously served as a senior advisor to Sankaty Advisors. Prior to that, he held senior roles at both Bank of America and JPMorgan, where he was Global Head of each bank's financial sponsors group. Additionally, Mr. Karp served as a senior member of each of the banks' capital commitment and risk committees. He received a B.A. from the State University of New York at Stony Brook and an M.B.A. from Harvard Business School.

Lei Lei, Managing Director, serves as an investment analyst with primary focus on European investments. Mr. Lei previously worked at Merrill Lynch in its Leveraged Finance and Capital Markets Groups. He earned a B.Sc. from the London School of Economics and Political Science.

Lucy Panter, Portfolio Manager and Managing Director, has portfolio management responsibilities focused on European performing credit and also focuses on the European consumer, retail and leisure sectors. Prior to joining the firm, Ms. Panter was a partner and portfolio manager at GoldenTree Asset Management, where she was head of European Research. She focused on making investments in the consumer, retail and leisure sectors. Ms. Panter was also responsible for managing the firm's European CLOs. Previously, she worked at PSAM and Goldman Sachs. Ms. Panter earned an M.A.

from the Johns Hopkins School of Advanced International Relations and B.A. from University College London.

Zachary Roth, Trader and Managing Director, has primary responsibility for trading high yield and distressed bonds as well as credit and equity derivatives. Prior to joining the firm, Mr. Roth spent ten years at Solus Alternative Asset Management trading distressed and high yield bonds, equity derivatives and credit indices. He began his career at Lipper Convertibles trading high yield and investment grade credit. Mr. Roth earned a B.A. from Clark University.

Christophe Rust, Managing Director, serves as an investment analyst with primary focus on European investments. Mr. Rust previously worked at Värde Partners Europe, where he focused on distressed debt and special situations investments. Prior to that, he worked in private equity at BC Partners and J.H. Whitney and in M&A advisory at Bankers Trust. Mr. Rust earned an M.B.A. from Harvard Business School and a B.A., cum laude, from Georgetown University.

Musa Sönmez, Managing Director, serves as an investment analyst with primary focus on European investments. Mr. Sönmez previously worked at Strategic Value Partners, Lehman Brothers' Leveraged Finance Group in London and Lazard's M&A advisory business in Germany. He currently serves on the board of Hotel Diagonal BV. Mr. Sönmez earned an M.B.A. from the IESE Business School in Barcelona and a B.A. from the University of Applied Sciences Frankfurt.

Justin G. Tasso, Portfolio Manager and Managing Director, joined OHA in 2005 and shares portfolio management responsibilities for certain multi-strategy portfolios that include stressed and distressed credit and other asset classes. Mr. Tasso has served on several creditors' committees including multiple lender steering committees. He also has extensive experience as a research analyst managing the gaming, lodging, business services, software and real estate sectors. Prior to joining OHA, Mr. Tasso worked at UBS Investment Bank where he was a member of the Global Industrial Group. He earned a B.S., with distinction, from the McIntire School of Commerce at the University of Virginia.

Steven Wayne, Portfolio Manager & Managing Director, shares leadership of the firm's U.S. private lending activities. Mr. Wayne joined OHA in 2006 and has responsibility for the firm's investments in middle market and sponsor originated transactions. In addition, he serves as the President and CEO and is on the investment committee of OHA Investment Corporation, (NASDAQ: OHAI), a BDC that is externally managed by Oak Hill Advisors. Mr. Wayne was previously a Managing Director of Berenson & Company, a boutique investment and merchant bank, where he also served as Chief Financial Officer. Prior to Berenson, he worked at a middle market private equity firm and he began his career in the Corporate Finance Department of Drexel Burnham Lambert. Mr. Wayne earned a B.S., magna cum laude, from The Wharton School of the University of Pennsylvania. He serves on the Board of Directors of The Traxis Group, B.V.

Yi Gu, Director, Risk, has primary responsibility for measuring, managing and monitoring risk across various portfolios. Prior to joining Oak Hill Advisors, Mr. Gu served as Director of KKR's Global Risk Strategies team, with a focus on portfolio analytics and risk management for the firm's hedge funds. Prior to joining KKR, Mr. Gu spent 12 years as a senior strategist in Goldman Sachs' Principal Strategies and Credit Derivatives Strategies Group with a focus on the development of pricing, risk management, portfolio analytics, hedging, and trading strategies for long/short and capital structure arbitrage (CSA) business. Prior to that, he was a member of JP Morgan's fixed income application development group and was responsible for creating the analytics engine for the firm's first credit derivatives trading system. Mr. Gu received an A.B. in Physics and Computer Science from Harvard University. He later received his M.B.A. in Finance from New York University, where he was named Stern Scholar. Mr. Gu has earned the Chartered Financial Analyst designation.

Elisse Zhou, Principal, serves as an investment analyst focusing on the structured products sector. Ms. Zhou previously worked at Bank of America Merrill Lynch on the CLO Structuring/Origination desk. She earned a B.S., magna cum laude, from Duke University.

Chris Cereghino, Managing Director, shares responsibility for investment product marketing and client coverage. Prior to joining Oak Hill Advisors, Mr. Cereghino was a Marketing Director at GoldenTree Asset Management focusing his client development activities on institutional investors located in the United States, Japan and Australia. Previous to GoldenTree, he was an Executive Director at JPMorgan, serving as a senior member of the firm's Global Structured Syndicate focused on the distribution of all structured credit products and alternative fund strategies. Over nearly 13 years, Mr. Cereghino held various senior structuring and marketing roles across the firm's structured credit and alternative assets businesses. He began his career as a credit analyst in the workout group at Chemical Bank, a predecessor firm to JPMorgan. Mr. Cereghino earned a B.A. from Villanova University.

John Convery, Managing Director, shares responsibility for investment product marketing and client coverage. He also plays a role in OHA's structured products platform. Prior to joining Oak Hill Advisors, Mr. Convery was a Managing Director at GreensLedge Capital Markets Europe, where he was Head of the London office, with a focus on structured credit investment banking. He previously held a similar role at Deutsche Bank, where he was a Managing Director and Head of the Global CDO business overseeing origination, structuring and distribution. Prior to this, he worked at UBS in New York, with a focus on synthetic and cash CDOs and Credit Tenant Lease transactions. He began his career in New York at Dillon Read. Mr. Convery holds a B.A. from New York University.

Peter Kwon, Managing Director, shares responsibility for investment product marketing and client coverage. Prior to joining Oak Hill Advisors, Mr. Kwon was a Managing Director at the Royal Bank of Scotland in North Asia financial institutional sales. Prior to Royal Bank of Scotland, he worked in fixed income sales at Morgan Stanley in New York City, Seoul and Hong Kong. Mr. Kwon holds a B.A., cum laude, from Harvard University.

Eric Storch, Managing Director, shares responsibility for investment product marketing and client coverage. Prior to joining Oak Hill Advisors, Mr. Storch was a Managing Director and Co-Head of Marketing and Client Relationships at GSO Capital Partners, where he was responsible for business development with a focus on long only institutional credit strategies. Prior to GSO, he was a Managing Director and Senior Investment Manager at Seix Investment Advisors with primary responsibility for their Structured Product and Alternative Product Groups. Before joining Seix, Mr. Storch served as a Fixed Income Portfolio Manager at MBIA Asset Management Group. He started his career as a Portfolio Manager and Fixed Income Trader at Kidder Peabody & Co., Inc. Mr. Storch holds a B.S. from Binghamton University and has earned the Chartered Financial Analyst designation.

Declan Tiernan, Managing Director, shares responsibility for investment product marketing and client coverage, and is based in Oak Hill Advisors' London office. Prior to joining Oak Hill Advisors, Mr. Tiernan was Managing Director and head of alternative fund distribution at UBS Investment Bank. He previously held similar roles at Deutsche Bank and HSBC where he was responsible for marketing structured and alternative credit products to European and Middle Eastern investors. Mr. Tiernan holds a B.Sc. and a Ph.D. from Queen's University, Belfast where he currently serves as a Member of Senate and sits on the University's Planning and Finance Committee, having also previously served on the Honorary Degrees Committee.

Natalie Harvard, Managing Director and Co-Head of Investor Relations, shares responsibility for investor relations and certain aspects of new business development. Ms. Harvard previously was an Associate in the Global Capital Markets and Investment Banking Group at Bank of America. She earned a B.S., with highest distinction, from the University of North Carolina at Chapel Hill.

Ana Goizueta, Director and Co-Head of Investor Relations, shares responsibility for investor relations and certain aspects of new business development. Ms. Goizueta was previously a Director at Talson Capital Management, where she was responsible for investor relations and marketing as well as operational due diligence. Prior to that, she worked at JPMorgan in the fixed income, credit and currency derivative groups in Madrid, London and New York as well as in private banking, where she

managed portfolios for high net worth individuals. Ms. Goizueta earned an M.B.A. from the Fuqua School of Business at Duke University and a B.A., cum laude, from Hamilton College.

Signe R. Brandt, Director, shares responsibility for client coverage. Ms. Brandt previously was an investment professional at Everest Financial Group and Ellerston Capital Ltd. She earned a Master of Business and Finance from University of Sydney and a B.A. from Copenhagen Business School.

Michael Blumstein, Chief Financial Officer, has responsibility for the accounting, finance and operations departments. Mr. Blumstein joined the firm after serving as Chief Administrative Officer of Argus Information & Advisory Services (sold to Verisk Analytics) and as Chief Financial Officer of Gerson Lehrman Group. Previously, he was Morgan Stanley's Director of U.S. Equity Research and a leading insurance and financial services equity analyst at Morgan Stanley and First Boston. Early in his career, Mr. Blumstein was a business-financial reporter for The New York Times. He received an M.B.A. with distinction from Harvard Business School and an A.B. from Brown University and has earned the Chartered Financial Analyst designation. Mr. Blumstein currently serves on the Board of Directors of Summer Search New York City.

Jonathan Askew, Chief Financial Officer – Europe, has responsibility for the finance and operational activities of the firm's European business. Mr. Askew previously served as a Director in the Assurance division of PricewaterhouseCoopers LLP in London, a firm at which he spent 12 years. He received a B.A. in Accounting and Finance from Newcastle University, and is a member of the Institute of Chartered Accountants of Scotland.

Gregory S. Rubin, Managing Director, General Counsel and Chief Compliance Officer, provides legal and compliance services. Mr. Rubin previously served as a Vice President and Regulatory Counsel in the Institutional Securities Group at Morgan Stanley and as a corporate and securities attorney at Lewis and Roca, LLP. He earned a J.D. from Cleveland-Marshall College of Law and a B.B.A. from the University of Cincinnati.

Colin Blackmore, Managing Director, European General Counsel & Chief Compliance Officer – Europe, provides legal and compliance services to the firm's European business. Most recently, Mr. Blackmore held European General Counsel roles at LaSalle Investment Management and JER Partners. He has also held in-house legal roles in WestLB's Principal Finance Group and as International Head of Transaction Legal in Nomura's London office, where he focused on structured finance. Prior to that, Mr. Blackmore trained and qualified as an English solicitor in London at the law firm Slaughter and May. He received a B.A. in Classics from Cambridge University followed by two years of law school in the UK. He is a trustee of the British School at Rome.

Jeffrey Small, Chairman, Legal & Compliance, provides legal and compliance services. Prior to joining Oak Hill Advisors, Mr. Small served as General Counsel of Citigroup's Institutional Client Group, which includes Citi's investment banking, sales and trading, corporate banking, private banking and asset management activities. Prior to that, he was a partner of Davis Polk & Wardwell and was the head of its capital markets practice for many years. Mr. Small earned his J.D. from NYU School of Law and a B.A. from Cornell University.

Trey Jordan, Vice President, Associate General Counsel and Compliance Officer, provides legal and compliance services. Mr. Jordan previously served as Chief Compliance Officer and interim President of W.J. Bradley Financial Services, LLC. Prior to that, he served as Senior Counsel for W.J. Bradley Mortgage Capital, and as Counsel for Ally Financial, Inc. (GMAC ResCap). Mr. Jordan earned his J.D. from the University of Miami School of Law, cum laude, and B.S. and M.S. from Mississippi State University.

Karey Schreck, Vice President and Controller, has primary responsibility for the accounting and reporting activities for OHA's CLOs in the U.S. and European markets. Ms. Schreck earned her B.S. in Accounting from the University of North Texas and an MBA in Finance from the University of Texas, Arlington. Ms. Schreck is also a Certified Public Accountant.

THE RETENTION HOLDER AND EU RETENTION REQUIREMENTS

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

Description of the Retention Holder

Oak Hill Advisors (Europe), LLP shall act as Retention Holder for the purposes of the EU Retention Requirements.

The description and the address of the Retention Holder is set out in the "*The Collateral Manager*" section of this Prospectus.

The Retention

Background

On the Issue Date, the Collateral Manager in its capacity as Retention Holder will sign the Retention Letter addressed to the Issuer, the Trustee (for the benefit of the Noteholders), the Collateral Administrator and the Placement Agent.

By way of background, the CRR definition of an "originator" refers to any entity which either:

(a) itself or through related entities, directly or indirectly, was involved in the original agreement which created the obligations being securitised; or

(b) purchases third party exposures "for its own account" and then securitises them.

Article 3(4)(a) of the regulatory technical standards adopted by the EU Commission on 12 March 2014 provides that, where the securitised exposures are created by multiple originators (as is the case in a managed CLO, where assets are acquired from numerous sellers in the market), the CRR Retention Requirements may be fulfilled by a single originator where the relevant originator has established and is managing the scheme.

The Collateral Manager reasonably believes that it has established, and will manage, the CLO transaction described in this Prospectus. The Collateral Manager will also represent and warrant in the Collateral Management Agreement, that the Originator Requirement (as defined below) has been satisfied on the Issue Date.

"**Originator Requirement"** means the requirement which will be satisfied if, on the Issue Date:

(a) the Aggregate Principal Balance of the sum of (i) all Collateral Debt Obligations that have been acquired by the Issuer, or in respect of which the Issuer has entered into a binding commitment to acquire, from the Collateral Manager and (ii) all Collateral Debt Obligations in respect of which the Collateral Manager or its related entities were directly or indirectly involved in the original agreement which created the obligations being securitised; divided by

(b) the Target Par Amount,

is greater than or equal to 5 per cent.

On the basis of the paragraphs above, and the undertakings, representations, warranties and acknowledgements to be given by the Retention Holder set out below, the Retention Holder reasonably believes that it is an "originator" for the purposes of the EU Retention Requirements and is an eligible retainer for the purposes of the EU Retention Requirements. The Collateral Manager intends to hold the requisite risk retention in its capacity as "originator" pursuant to the EU Retention Requirements.

Retention Letter

Under the Retention Letter, the Retention Holder will undertake and agree with effect on and from the Issue Date (and, in respect of paragraphs (g) and (h) below, represents and warrants on the Issue Date):

(a) to subscribe for (at the initial issuance and each subsequent date of additional issuance of Notes) and retain, on an ongoing basis and for its own account, a material net economic interest in the transaction which will be comprised of not less than 5 per cent. of the nominal value of each Class of Notes (the "**Retention Notes**") in accordance with the EU Retention Requirements as of the Issue Date;

(b) that it and its Affiliates will not sell, hedge or otherwise mitigate its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, unless expressly permitted by the EU Retention Requirements;

(c) to confirm its continued compliance on and from the Issue Date with the requirements set out in paragraphs (a) to (b) above:

  (i) on a monthly basis to the Issuer, the Collateral Manager, the Trustee, the Collateral Administrator and the Arranger (concurrent with the delivery of each Monthly Report); and

  (ii) promptly following any written request therefore by or on behalf of the Issuer or any Affected Investor delivered as a result of (1) a material change in (x) the performance of the Notes, (y) the risk characteristics of the Notes, or (z) the Collateral Debt Obligations and/or the Eligible Investments from time to time, or (2) the breach of any Transaction Document to which it is a party;

(d) that it will, promptly on becoming aware of the occurrence thereof on and from the Issue Date, provide a written notice to the Issuer, the Trustee, the Collateral Administrator and the Arranger of (i) any failure to hold the Retention Notes in accordance with paragraphs (a) and (b) above or (ii) any representations in the Retention Letter failing to be true on any date;

(e) subject to any regulatory requirements, agree that it will take such further reasonable action, provide such information and enter into such other agreements as may reasonably be required to satisfy the EU Retention Requirements as of (i) the Issue Date and (ii) solely as regards the provision of information in the possession of the Retention Holder relating to its holding of the Retention Notes, at the cost and expense of the party seeking such information and to the extent the same is not subject to a duty of confidentiality, any time prior to the maturity of the Notes;

(f) that it will notify the Collateral Administrator, the Issuer and the Arranger in writing of any sale, disposal or acquisition of an interest in the Retention Notes by the Retention Holder promptly following such sale, disposal or acquisition;

(g) that the Retention Holder reasonably believes that it has established the transaction contemplated by the Transaction Documents; and

(h) that, in relation to each Collateral Debt Obligation acquired by the Issuer in satisfaction of the Originator Requirement, the Retention Holder either:

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

  (ii) either itself or through related entities, directly or indirectly, was involved in the original agreement which created such asset,

provided, however, that the Retention Holder may transfer the Retention Notes to the extent such transfer would not cause the transaction described in this Prospectus to cease to be compliant with the EU Retention Requirements (including a transfer of the Retention Notes to the Replacement Collateral Manager following the transfer of the Collateral Manager's rights and responsibilities under the Collateral Management Agreement to the Replacement Collateral Manager).

The Retention Holder will not have any obligation to change the quantum, method or nature of its holding of the Retention Notes as a result of any changes to the EU Retention Requirements following the Issue Date or any other changes to regulations or the interpretation thereof the result of which the Issuer is considered to be an AIF following the Issue Date.

Origination of Collateral Debt Obligations

The Issuer has accurately reproduced the information contained in the section entitled "*The Retention Holder and EU Retention Requirements – Origination of Collateral Debt Obligations*" from information provided to it by the Collateral Manager but it has not independently verified such information. So far as the Issuer is aware and is able to ascertain from information published by the Collateral Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading. The information appearing in this section has been prepared by the Collateral Manager and has not been independently verified by the Issuer or any other party and none of such Persons assumes any responsibility for the accuracy, completeness or applicability of such information. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of the Collateral Manager or of its Affiliates since the date of this Prospectus, or that the information contained or referred to herein is correct as of any time subsequent to the date of this Prospectus.

Origination under Limb (a) of the Definition of Originator

The Collateral Manager, or one of its related entities, may originate Collateral Debt Obligations for the purposes of paragraph (a) of the definition of "originator" under the CRR by virtue of having the opportunity to comment on and/or approve the terms of Collateral Debt Obligations ("**Limb (a) Originator Assets**") prior to the execution of the related transaction documents as part of the primary syndication process of such Limb (a) Originator Assets. In these circumstances the Collateral Manager will have received from the syndication agent a term sheet and/or draft documentation and will have been able to review and input on the terms of the credit as part of its decision to participate in the syndication.

Origination under Limb (b) of the Definition of Originator

The Collateral Manager may acquire assets for the purposes of paragraph (b) of the definition of "Originator" under the CRR which are intended to form part of the Collateral Debt Obligations ("**Limb (b) Originator Assets**"), such Limb (b) Originator Assets being acquired in the primary market or in the secondary market from a third party (each, a "**Market Seller**").

The Collateral Manager, having due regard to assets and liabilities held on its own balance sheet from time to time, shall have absolute discretion to acquire, hold and/or sell assets at any time and, if appropriate, shall also have absolute discretion to nominate the CLO to which any asset is proposed to be sold to.

Sale of Limb (b) Originator Assets to CLOs

With a view to effectively managing its exposure to market price volatilities of the Limb (b) Originator Assets, the Collateral Manager may acquire Limb (b) Originator Assets and immediately enter into a forward purchase agreement (a "**Forward Purchase Agreement**") with one of the issuers established in connection with one of the CLOs managed by it, including where such issuer is in the process of warehousing assets prior to issuing a CLO (each, a "**CLO Issuer**"), under which the

relevant CLO Issuer shall commit to purchase and settle the relevant Limb (b) Originator Assets for the same purchase price as the Collateral Manager has committed to purchase and settle that Collateral Debt Obligation from the relevant Market Seller (which shall be no earlier than 15 Business Days after the date of such commitment to purchase).

The Collateral Manager may also transfer any Limb (b) Originator Assets to a CLO Issuer at the then prevailing market value, however it is the intention of the Collateral Manager that Limb (b) Originator Assets will be transferred to the Issuer by way of Forward Purchase Agreements.

The CLO Issuer, the Collateral Manager and the Market Seller may also enter into a multilateral netting agreement (the "**Netting Agreement**") with respect to the purchase of a Limb (b) Originator Asset, which shall provide for the relevant Market Seller to enter into the assignment or transfer agreement required to effect the transfer of such Limb (b) Originator Asset directly to the CLO Issuer. Pursuant to the Netting Agreement, the CLO Issuer shall, on the date of settlement, pay the purchase price of the Collateral Debt Obligation to the Collateral Manager, which the Collateral Manager shall correspondingly pay to the Market Seller.

If any Limb (b) Originator Asset does not satisfy certain conditions precedent for its sale to the relevant CLO Issuer, including if such obligation does not satisfy the eligibility criteria (howsoever described), as at the relevant trade date or is in default in relation to the payment of principal or interest due and payable thereunder or the related Obligor is subject to bankruptcy or insolvency proceedings (howsoever described) on the date falling 15 Business Days from the relevant trade date, the CLO Issuer will not be obliged to complete the purchase of the relevant asset on the applicable settlement date and the applicable sale under the Forward Purchase Agreement will be terminated. As a result, the Collateral Manager will be exposed to default and credit risk on such Limb (b) Originator Assets for the period between its purchase and the date falling 15 Business Days from the relevant trade date under the applicable Forward Purchase Agreement.

U.S. CREDIT RISK RETENTION

Pursuant to the U.S. Risk Retention Rules, the "sponsor" of a securitisation transaction (or majority-owned affiliate of the sponsor) is required, unless an exemption exists, to retain the Minimum Risk Retention Requirement for the time period required by the U.S. Risk Retention Rules. The U.S. Risk Retention Rules apply to CLOs, including the Notes, offered and sold in a securitisation transaction subject to the U.S. Risk Retention Rules on or after December 24, 2016. In addition, the U.S. Risk Retention Rules impose limitations on the ability of the Retention Holder to sell or hedge its risk with respect to the Eligible Vertical Interest. See also "*Risk Factors – U.S. Risk Retention Requirements*".

In order to comply with the U.S. Risk Retention Rules and satisfy the Minimum Risk Retention Requirement, on the Issue Date, the Retention Holder has informed the Issuer that it will acquire and retain for the period required by the U.S. Risk Retention Rules, €13,100,000 principal amount of the Class A-1 Notes, €600,000 principal amount of the Class A-2 Notes, €2,400,000 principal amount of the Class B-1 Notes, €700,000 principal amount of the Class B-2 Notes, €1,300,000 principal amount of the Class C Notes, €1,200,000 principal amount of the Class D Notes, €1,600,000 principal amount of the Class E Notes, €700,000 principal amount of the Class F Notes and €2,900,000 principal amount of the Subordinated Notes, as an "eligible vertical interest" within the meaning of the U.S. Risk Retention Rules (the "**Eligible Vertical Interest**") consisting of not less than 5 per cent. of the principal amount of each Class of Notes issued by the Issuer. The material terms of the Notes comprising the Eligible Vertical Interest are described in this Prospectus under "*Terms and Conditions of the Notes*".

THE COLLATERAL ADMINISTRATOR

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

The Bank of New York Mellon SA/NV is a Belgian limited liability company established September 30, 2008 under the form of a Société Anonyme/Naamloze Vennootschap. It was granted its banking license by the CBFA (former Belgian supervisor prior to the implementation of the Twin Peaks model) on March 10 2009. It has its headquarters and main establishment at 46 rue Montoyerstraat, 1000 Bruxelles/Brussels. The Bank of New York Mellon SA/NV is a subsidiary of BNY Mellon (BNYM), the main banking subsidiary of The BNY Mellon Corporation. It is under the prudential supervision of the National Bank of Belgium and regulated by the Belgian Financial Services and Markets Authority in respect of Conduct of Business. The Bank of New York Mellon SA/NV engages in asset servicing, global collateral management, global markets, corporate trust and depositary receipts. The Bank of New York Mellon SA/NV operates from locations in Belgium, the Netherlands, Germany, London, Luxembourg, Paris and Dublin.

Termination and Resignation

The appointment of the Collateral Administrator under the Collateral Management Agreement may be terminated without cause at any time, upon not less than 45 days' prior written notice by (a) the Issuer at its discretion or (b) the Trustee if so directed by each of (i) the holders of the Controlling Class of Notes acting by Ordinary Resolution, and (ii) the holders of the Subordinated Notes acting by Ordinary Resolution, to the Collateral Administrator copied to the Issuer or Trustee (as applicable) and the Collateral Manager and upon written notice to the Noteholders in accordance with Condition 16 (Notices) (provided that the Trustee shall not be obliged to take any action unless indemnified and/or secured and/or prefunded to its satisfaction).

The appointment of the Collateral Administrator under the Collateral Management Agreement may be terminated, for cause at any time with immediate effect by (a) the Issuer at its discretion or (b) the Trustee if so directed by each of (i) the holders of the Controlling Class of Notes acting by Ordinary Resolution, and (ii) the holders of the Subordinated Notes acting by Ordinary Resolution upon prior written notice to the Collateral Administrator copied to the Issuer or the Trustee (as applicable) and the Collateral Manager and upon written notice to the Noteholders in accordance with Condition 16 (Notices) (provided that the Trustee shall not be obliged to take any action unless indemnified and/or secured and/or prefunded to its satisfaction).

The Collateral Administrator may resign its appointment under the Collateral Management Agreement without cause by giving not less than 45 days' prior written notice, and with cause by giving not less than 10 days' prior written notice to the Issuer, the Trustee and the Collateral Manager.

No termination of the appointment or resignation of the Collateral Administrator shall be effective until the date as of which a successor collateral administrator reasonably acceptable to the Issuer, the Trustee and the Collateral Manager.

THE PORTFOLIO

Terms used and not otherwise defined herein or in this Prospectus as specifically referenced herein shall have the meaning given to them in Condition 1 (*Definitions*) of the Terms and Conditions of the Notes.

Introduction

Pursuant to the Collateral Management Agreement, the Collateral Manager is required to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described below. In addition, the Collateral Administrator is required to perform certain calculations in relation to the Portfolio on behalf of the Issuer, in each case to the extent and in accordance with the information provided to it by the Collateral Manager.

Acquisition of Collateral Debt Obligations

The Collateral Manager will determine and will use reasonable endeavours to cause to be acquired by the Issuer a portfolio of primarily Senior Secured Loans, Senior Secured Bonds, Senior Unsecured Obligations, Corporate Rescue Loans, Mezzanine Obligations, Second Lien Loans, High Yield Bonds, Bridge Loans during the Initial Investment Period, the Reinvestment Period and thereafter. The Issuer anticipates that, by the Issue Date, it will have purchased or committed to purchase Collateral Debt Obligations, the Aggregate Principal Balance of which is equal to at least €257,000,000 which is approximately 56 per cent. of the Target Par Amount (as defined in the Conditions). The proceeds of issue of the Notes remaining after payment of: (a) the acquisition costs for the Collateral Debt Obligations acquired by the Issuer on or prior to the Issue Date; and (b) certain fees, costs and expenses incurred in connection with the issue of the Notes and anticipated to be payable by the Issuer following completion of the issue of the Notes will be deposited in the Expense Reserve Account and the Unused Proceeds Account on the Issue Date. The Collateral Manager acting on behalf of the Issuer, shall use all commercially reasonable efforts to purchase Collateral Debt Obligations with an Aggregate Principal Balance equal to at least the Target Par Amount out of the Balance standing to the credit of the Unused Proceeds Account during the Initial Investment Period.

The Issuer does not expect and is not required to satisfy the Collateral Quality Tests, Portfolio Profile Tests or the Coverage Tests prior to the Effective Date. The Collateral Manager may declare that the Initial Investment Period has ended and the Effective Date has occurred prior to 25 July 2017, subject to the Effective Date Determination Requirements being satisfied.

On or after the Effective Date, the Balance standing to the credit of the Unused Proceeds Account will be transferred to the Principal Account and/or the Interest Account, in each case, at the discretion of the Collateral Manager (acting on behalf of the Issuer), provided that as at such date: (i) the Issuer has acquired or entered into binding commitments to acquire Collateral Debt Obligations, the Aggregate Principal Balance (provided that, for the purposes of determining the Aggregate Principal Balance, any repayments or prepayments of any Collateral Debt Obligation subsequent to the date of acquisition thereof shall be disregarded) of which equals or exceeds the Target Par Amount; and (ii) an amount equal to no more than 1.0 per cent. of the Aggregate Collateral Balance may be transferred (inclusive of any such amounts transferred from the Principal Account pursuant to paragraph (4) of Condition 3(k)(i) (*Principal Account*)) to the Interest Account.

Within 30 calendar days following the Effective Date, the Collateral Administrator shall issue a report (the "**Effective Date Report**") containing the information required in a Monthly Report, confirming whether the Issuer has acquired or entered into a binding commitment to acquire Collateral Debt Obligations having an Aggregate Principal Balance which equals or exceeds the Target Par Amount, copies of which shall be forwarded to the Issuer, the Trustee, the Collateral Manager and the Rating Agencies and any repayments or prepayments of any Collateral Debt Obligation subsequent to the date of the acquisition thereof shall be disregarded (provided that, for the purposes of determining the Aggregate Principal Balance as provided above, the Principal Balance of a Collateral Debt Obligation

which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its Fitch Collateral Value) and within 30 calendar days following the Effective Date and the Issuer will provide, or cause the Collateral Manager to provide to the Trustee and the Collateral Administrator an accountants' certificate confirming the Aggregate Principal Balance of all Collateral Debt Obligations purchased or committed to be purchased as at such date and the computations and results of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests (other than the Interest Coverage Tests) by reference to such Collateral Debt Obligations.

The Collateral Manager (acting on behalf of the Issuer) shall promptly following receipt of the Effective Date Report, request that each of the Rating Agencies confirm its Initial Ratings of the Rated Notes, provided that if the Effective Date Moody's Condition is satisfied then such rating confirmation shall be deemed to have been received from Moody's. If the Effective Date Moody's Condition is not satisfied within 30 calendar days following the Effective Date the Collateral Manager shall promptly notify Moody's. If (i) the Effective Date Determination Requirements are not satisfied and Rating Agency Confirmation has not been received in respect of such failure; and (ii) the Collateral Manager (acting on behalf of the Issuer) does not present a Rating Confirmation Plan to the Rating Agencies or Rating Agency Confirmation is not received in respect of such Rating Confirmation Plan; or (iii) where the Effective Date Moody's Condition is not satisfied, following a request therefor from the Collateral Manager after the Effective Date, Rating Agency Confirmation from Moody's is not received, an Effective Date Rating Event shall have occurred. If an Effective Date Rating Event has occurred and is continuing on the Business Day prior to the Payment Date following the Effective Date, either (i) the Issuer, at the direction of the Collateral Manager, shall purchase additional Collateral Debt Obligations or transfer amounts into the Principal Account pending reinvestment in Collateral Debt Obligations at a later date in each case subject to and in accordance with the Priorities of Payments until an Effective Date Rating Event is no longer continuing or (ii) the Rated Notes shall be redeemed, pursuant to Condition 7(e) (Redemption upon Effective Date Rating Event) on such Payment Date and thereafter on each subsequent Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payments, until the earlier of (x) the date on which the Effective Date Rating Event is no longer continuing and (y) the date on which the Rated Notes have been redeemed in full. The Collateral Manager shall notify the Rating Agencies upon the discontinuance of an Effective Date Rating Event.

During such time as an Effective Date Rating Event shall have occurred and be continuing the Collateral Manager (acting on behalf of the Issuer) may prepare and present to the Rating Agencies a Rating Confirmation Plan setting forth the timing and manner of acquisition of additional Collateral Debt Obligations and/or any other intended action which will cause confirmation or reinstatement of the Initial Ratings. The Collateral Manager (acting on behalf of the Issuer) is under no obligation whatsoever to present a Rating Confirmation Plan to the Rating Agencies.

Eligibility Criteria

Each Collateral Debt Obligation must, at the time of entering into a binding commitment to acquire by way of novation, assignment or participation such obligation by, or on behalf of, the Issuer, satisfy the following criteria (the "**Eligibility Criteria**") as determined by the Collateral Manager in its discretion (capitalised terms in each case shall be read and construed as if such obligation were a Collateral Debt Obligation):

(a) it is a Senior Secured Loan, Senior Secured Bond, an Senior Unsecured Obligation, a Corporate Rescue Loan, a Mezzanine Obligation, a Second Lien Loan or a High Yield Bond, a PIK Obligation, a Current Pay Obligation or a Bridge Loan;

(b) it is (I) denominated in Euro or (II) is denominated in a Qualifying Currency other than Euro and either (1) if such Non-Euro Obligation is denominated in a Qualifying Unhedged Obligation Currency within 90 calendar days of the settlement date thereof, and otherwise (2) no later than the settlement date of the acquisition thereof the Issuer (or the Collateral

Manager on its behalf) enters into an Asset Swap Transaction with a notional amount in the relevant currency equal to the aggregate principal amount of such obligation and otherwise complies with the requirements set out in respect of such obligation in the Collateral Management Agreement and (III) is not convertible into or payable in any other currency;

(c) it is not a Defaulted Obligation or a Credit Impaired Obligation;

(d) it is not a lease (including, for the avoidance of doubt, a financial lease);

(e) it is not a Structured Finance Security, pre-funded letter of credit or a Synthetic Security;

(f) it provides for a fixed amount of principal payable on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortisation or prepayment in each case at a price of less than par;

(g) it is not a Zero Coupon Obligation, Step-Up Coupon Security or Step-Down Coupon Security;

(h) it does not constitute "margin stock" (as defined under Regulation U issued by the Board of Governors of the United States Federal Reserve System);

(i) it is an obligation in respect of which, following acquisition thereof by the Issuer by the selected method of transfer and completion of any necessary procedural formalities, payments to the Issuer will not be subject to withholding tax (with the exception of U.S. withholding tax imposed on fees, commitment fees associated with Collateral Debt Obligations constituting Revolving Obligations and Delayed Drawdown Collateral Debt Obligations and taxes imposed under FATCA) imposed by any jurisdiction unless either: (i) such withholding tax can be sheltered by application being made under the applicable double tax treaty or otherwise; or (ii) the Obligor (or the Selling Institution in the case of a Participation) is required to make "gross up" payments that cover the full amount of any such withholding on an after tax basis;

(j) other than in the case of Corporate Rescue Loans or Current Pay Obligations, it has a Moody's Rating of not lower than "Caa3" and a Fitch Rating of not lower than "CCC";

(k) it is not a debt obligation whose repayment is subject to substantial non-credit related risk;

(l) it will not result in the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer other than those: (i) which may arise at its option; (ii) arise out of future drawing obligations in respect of a Revolving Obligation or a Delayed Draw Collateral Debt Obligation and which are fully collateralised; (iii) which are subject to limited recourse provisions similar to those set out in the Trust Deed; (iv) which are owed to the agent bank or security agent in relation to the performance of its duties under or in connection with a Collateral Debt Obligation; (v) which are associated with tax credits arising in connection with grossed up payments made to the Issuer; or (vi) which may arise as a result of an undertaking to participate in a financial restructuring of a Collateral Debt Obligation where such undertaking is contingent upon the redemption in full of such Collateral Debt Obligation on or before the time by which the Issuer is obliged to enter into the Restructured Obligation and where the Restructured Obligation satisfies the Eligibility Criteria and for the avoidance of doubt, the Issuer is not liable to pay any amounts in respect of Restructured Obligation which are Delayed Drawdown Collateral Debt Obligations or Revolving Obligations, *provided that*, in respect of paragraph (v) only, that the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer following such restructuring shall not exceed the redemption amounts from such restructured Senior Secured Loan, Second Lien Loan or similar obligation;

(m) it will not require the Issuer or the Portfolio to be registered as an investment company under the Investment Company Act;

(n) it is not a debt obligation that pays scheduled interest less frequently than annually (other than, for the avoidance of doubt, PIK Obligations);

(o) it is not subject to a tender offer, voluntary redemption, exchange offer, conversion or other similar action for a purchase amount or redemption amount less than the lower of (i) its par amount and (ii) the principal balance to be applied by or on behalf of the Issuer in the acquisition thereof;

(p) (i) the Collateral Debt Obligation Stated Maturity thereof or (ii) in respect of any Collateral Debt Obligation that is subject to a tender offer, voluntary redemption, exchange offer, conversion or similar action, the redemption date or date of completion of such action, falls prior to the Maturity Date of the Notes;

(q) its acquisition by the Issuer will not result in the imposition of stamp duty or stamp duty reserve tax or similar tax or duty payable by, or otherwise recoverable from, the Issuer, unless such stamp duty or stamp duty reserve tax or similar tax or duty has been included in the purchase price of such Collateral Debt Obligation;

(r) upon acquisition, both (i) the Collateral Debt Obligation is capable of being, and will be, the subject of a first fixed charge, a first priority security interest or other arrangement having a similar commercial effect in favour of the Trustee for the benefit of the Secured Parties and (ii) (subject to (i) above) the Issuer (or the Collateral Manager on behalf of the Issuer) has notified the Trustee in the event that any Collateral Debt Obligation that is a bond is held through the Custodian but not held through Euroclear or does not satisfy the requirements relating to Euroclear collateral specified in the Trust Deed and has taken such action as the Trustee may require to effect such security interest;

(s) is an obligation of an Obligor or Obligors Domiciled in a Non-Emerging Market Country (as determined by the Collateral Manager acting on behalf of the Issuer);

(t) is not an obligation of an Obligor or Obligors Domiciled in a country with a Moody's local currency country risk ceiling of "Baa1" or below;

(u) it is capable of being sold, assigned or participated to the Issuer, together with any associated security, without any breach of applicable selling restrictions or of any contractual provisions;

(v) other than through the operation of the deferral of interest component of a Partial PIK Obligation or a PIK Obligation in accordance with the terms thereof, it is not an obligation in respect of which interest payments are scheduled to decrease (although interest payments may decrease due to unscheduled events such as a decrease of the index relating to a Floating Rate Collateral Debt Obligation, the change from a default rate of interest to a non-default rate or an improvement in the Obligor's financial condition);

(w) it is an obligation (i) that is acquired, and held in a manner that does not violate the U.S. Investment Restrictions set out in the Collateral Management Agreement, and (ii) the nature of which does not violate the U.S. Investment Restrictions set out in the Collateral Management Agreement;

(x) it must require the consent of more than 50 of the lenders to the Obligor thereunder for any change that is adverse to the interests of holders thereof in the principal repayment profile or interest applicable on such obligation (for the avoidance of doubt, excluding any changes originally envisaged in the loan documentation) *provided that* in the case of a Collateral Debt Obligation that is a bond, such percentage requirement shall refer to the percentage of holders required to approve a resolution on any such matter, either as a percentage of those attending

a quorate bondholder meeting or as a percentage of all bondholders acting by way of a written resolution;

(y) the Obligor or Obligors of such obligation are not (i) a Restricted Party or reasonably expected to become a Restricted Party or (ii) currently involved in any publically recorded (or, to the best of the knowledge of the Issuer or the Collateral Manager) claim, action, suit, proceedings or investigation with regard to Sanctions or (iii) individuals;

(z) it is not a Project Finance Loan;

(aa) it is not, and is not convertible into, an Equity Security

(bb) it is not a Small Obligor Loan; and

(cc) it is not an obligation which at the time of acquisition by the Issuer will result in the Issuer being required to be authorised as a "credit servicing firm" within the meaning of the Irish Central Bank Act 1997 (as amended).

"**Restricted Party**" means any Person that is (i) listed on, or owned or controlled by a person listed on, a Sanctions List, (ii) a government of a Sanctioned Country, (iii) an agency or instrumentality of, or an entity directly or indirectly owned or controlled by, a government of a Sanctioned Country, (iv) resident or located in, operating from, or incorporated under the laws of, a Sanctioned Country or (v) to the best knowledge of the Issuer or the Collateral Manager, otherwise a target of Sanctions.

"**Sanctioned Country**" means any country or other territory subject to a general export, import, financial or investment embargo under any Sanctions, which, as of the date of the Trust Deed, include Crimea, Cuba, Iran, North Korea, Sudan and Syria.

"**Sanctions Authority**" means (i) the United States, (ii) the United Nations Security Council, (iii) the European Union, (iv) the United Kingdom or (v) the respective governmental institutions of any of the foregoing including, without limitation, Her Majesty's Treasury, the Office of Foreign Assets Control of the US Department of the Treasury, the US Department of Commerce, the US Department of State and any other agency of the US government.

"**Sanctions List**" means any of the lists of specifically designated nationals or designated or sanctioned individuals or entities (or equivalent) issued by any Sanctions Authority, each as amended, supplemented or substituted from time to time.

"**Sanctions**" means economic or financial sanctions, trade embargoes or other comprehensive prohibitions against transaction activity pursuant to anti-terrorism laws or export control laws imposed, administered or enforced from time to time by any Sanctions Authority.

"**Small Obligor Loan**" means a Collateral Debt Obligation issued by an issuer having a total potential indebtedness (as determined by original or subsequent issuance size, at the time of purchase by the Issuer, whether drawn or undrawn) under all loan agreements, indentures, and other Underlying Instruments entered into directly or indirectly by such issuer of less than €100,000,000 (it being understood, and as a clarification only, that any principal payments made in respect of such loan agreements, indentures and other Underlying Instruments shall not be taken into account for purposes of this definition). For the avoidance of doubt, if a Collateral Debt Obligation is determined not to be a Small Obligor Loan at the time the Issuer commits to acquire such obligation, it shall not thereafter be deemed to be a Small Obligor Loan.

"**Step-Down Coupon Security**" means a security: (i) which does not pay interest over a specified period of time ending on its maturity, but which does provide for the payment of interest before such specified period; or (ii) the interest rate of which decreases over a specified period of time other than due to the decrease of the floating rate index applicable to such security.

"**Step-Up Coupon Security**" means a security: (i) which does not pay interest over a specified period of time ending prior to its maturity, but which does provide for the payment of interest after the expiration of such specified period; or (ii) the interest rate of which increases over a specified period of time other than due to the increase of the floating rate index applicable to such security.

Other than (i) Issue Date Collateral Debt Obligations which must satisfy the Eligibility Criteria on the Issue Date and (ii) Collateral Debt Obligations which are the subject of a restructuring (whether effected by way of an amendment to the terms of such Collateral Debt Obligation or by way of substitution of new obligations and/or change of Obligor) which must satisfy the Restructured Obligation Criteria on the applicable Restructuring Date, the subsequent failure of any Collateral Debt Obligation to satisfy any of the Eligibility Criteria shall not prevent any obligation which would otherwise be a Collateral Debt Obligation from being a Collateral Debt Obligation so long as such obligation satisfied the Eligibility Criteria, when the Issuer or the Collateral Manager on behalf of the Issuer entered into a binding agreement to purchase such obligation.

Restructured Obligations

In the event a Collateral Debt Obligation becomes the subject of a restructuring whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an amendment of its maturity date) or by way of substitution of new obligations and/or change of Obligor, such obligation shall only constitute a Restructured Obligation if such obligation satisfies the following criteria (the "**Restructured Obligation Criteria**"):

(a) it is a Senior Secured Loan, Senior Secured Bond, an Senior Unsecured Obligation, a Corporate Rescue Loan, a Mezzanine Obligation, a Second Lien Loan or a High Yield Bond, a PIK Obligation or a Bridge Loan;

(b) it is (I) denominated in Euro or (II) is denominated in a Qualifying Currency other than Euro and either (1) if such Non-Euro Obligation is denominated in a Qualifying Unhedged Obligation Currency within 90 calendar days of the settlement date thereof, and otherwise (2) no later than the settlement date of the acquisition thereof, the Issuer (or the Collateral Manager on its behalf) enters into an Asset Swap Transaction with a notional amount in the relevant currency equal to the aggregate principal amount of such obligation and otherwise complies with the requirements set out in respect of such obligation in the Collateral Management Agreement and (III) is not convertible into or payable in any other currency;

(c) it is not a lease (including, for the avoidance of doubt, a financial lease);

(d) it is not a Structured Finance Security, pre-funded letter of credit or a Synthetic Security;

(e) it provides for a fixed amount of principal payable on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortisation or prepayment in each case at a price of less than par;

(f) it is not a Zero Coupon Obligation, Step-Up Coupon Security or Step-Down Coupon Security;

(g) it does not constitute "margin stock" (as defined under Regulation U issued by the Board of Governors of the United States Federal Reserve System);

(h) it is an obligation in respect of which, following acquisition thereof by the Issuer by the selected method of transfer and completion of any necessary procedural formalities, payments to the Issuer will not be subject to withholding tax (with the exception of U.S. withholding tax imposed on commitment fees associated with Collateral Debt Obligations constituting Revolving Obligations and Delayed Drawdown Collateral Debt Obligations and taxes imposed under FATCA) imposed by any jurisdiction unless either: (i) such withholding tax can be sheltered by application being made under the applicable double tax treaty or

otherwise; or (ii) the Obligor (or the Selling Institution in the case of a Participation) is required to make "gross up" payments that cover the full amount of any such withholding on an after tax basis;

(i) it is not a debt obligation whose repayment is subject to substantial non-credit related risk;

(j) it will not result in the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer other than those: (i) which may arise at its option; (ii) which are fully collateralised; (iii) which are subject to limited recourse provisions similar to those set out in the Trust Deed; (iv) which are owed to the agent bank in relation to the performance of its duties under a Collateral Debt Obligation; or (v) which may arise as a result of an undertaking to participate in a financial restructuring of a Collateral Debt Obligation where such undertaking is contingent upon the redemption in full of such Collateral Debt Obligation on or before the time by which the Issuer is obliged to enter into the Restructured Obligation and where the Restructured Obligation satisfies the Eligibility Criteria and for the avoidance of doubt, the Issuer is not liable to pay any amounts in respect of a Restructured Obligation, *provided that*, in respect of paragraph (v) only, that the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer following such restructuring shall not exceed the redemption amounts from such restructured Senior Secured Loan, second lien loan or similar obligation;

(k) it will not require the Issuer or the Portfolio to be registered as an investment company under the Investment Company Act;

(l) it is not a debt obligation that pays scheduled interest less frequently than annually (other than, for the avoidance of doubt, PIK Obligations);

(m) it is not subject to a tender offer, exchange offer, conversion or other similar action for a price less than its par amount *plus* all accrued and unpaid interest;

(n) its acquisition by the Issuer will not result in the imposition of stamp duty or stamp duty reserve tax payable by the Issuer, unless such stamp duty or stamp duty reserve tax has been included in the purchase price of such Collateral Debt Obligation;

(o) it is an obligation (i) that is acquired, and held in a manner that does not violate the U.S. Investment Restrictions set out in the Collateral Management Agreement, and (ii) the nature of which does not violate the U.S. Investment Restrictions set out in the Collateral Management Agreement;

(p) upon acquisition, both (i) the Collateral Debt Obligation is capable of being, and will be, the subject of a first fixed charge, a first priority security interest or other arrangement having a similar commercial effect in favour of the Trustee for the benefit of the Secured Parties and (ii) (subject to (i) above) the Issuer (or the Collateral Manager on behalf of the Issuer) has notified the Trustee in the event that any Collateral Debt Obligation that is a bond is held through the Custodian but not held through Euroclear or does not satisfy the requirements relating to Euroclear collateral specified in the Trust Deed and has taken such action as the Trustee may require to effect such security interest; and

(q) is an obligation of an Obligor or Obligors Domiciled in a Non-Emerging Market Country (as determined by the Collateral Manager acting on behalf of the Issuer);

(r) is not an obligation of an Obligor or Obligors Domiciled in a country with a Moody's local currency country risk ceiling of "Baa1" or below;

(s) it is capable of being sold, assigned or participated to the Issuer, together with any associated security, without any breach of applicable selling restrictions or of any contractual provisions;

(t) other than through the operation of the deferral of interest component of a Partial PIK Obligation or a PIK Obligation in accordance with the terms thereof, it is not an obligation in respect of which interest payments are scheduled to decrease (although interest payments may decrease due to unscheduled events such as a decrease of the index relating to a Floating Rate Collateral Debt Obligation, the change from a default rate of interest to a non-default rate or an improvement in the Obligor's financial condition);

(u) the Obligor or Obligors of such obligation are not (i) a Restricted Party or reasonably expected to become a Restricted Party or (ii) currently involved in any publically recorded (or, to the best of the knowledge of the Issuer or the Collateral Manager) claim, action, suit, proceedings or investigation with regard to Sanctions or (iii) individuals;

(v) it is not a Project Finance Loan; and

(w) it is not, and is not convertible into, an Equity Security.

Management of the Portfolio

Overview

The Collateral Manager (acting on behalf of the Issuer) is permitted, in certain circumstances and, subject to certain requirements, to sell Collateral Debt Obligations and Exchanged Securities and to reinvest the Sale Proceeds (other than accrued interest on such Collateral Debt Obligations included in Interest Proceeds by the Collateral Manager) thereof in Substitute Collateral Debt Obligations. The Collateral Manager shall determine (in consultation with the Collateral Administrator), as at the date of the proposed acquisition, that the Portfolio Profile Tests and Reinvestment Criteria which are required to be satisfied (or where such relevant criterion permits, maintained or improved) in connection with any such sale or reinvestment are satisfied (or where such relevant criterion permits, maintained or improved) or, if any such criteria are not satisfied (or where such relevant condition permits, maintained or improved), shall notify the Issuer of the reasons and the extent to which such criteria are not so satisfied (or where such relevant criterion permits, maintained or improved). Certification as of the trade date of the satisfaction of such tests (or where such relevant criterion permits, such tests are maintained or improved) shall be made upon delivery to the Collateral Administrator of a trade ticket by the Collateral Manager in respect of such acquisition on the settlement date thereof, and the Collateral Administrator in turn shall make the relevant certifications in the Issuer Order (as defined in the Collateral Management Agreement) on such date, subject to and in accordance with the terms of the Collateral Management Agreement.

The Collateral Manager will determine and use reasonable endeavours to cause to be purchased by the Issuer, Collateral Debt Obligations (including all Substitute Collateral Debt Obligations) taking into account the Eligibility Criteria and will monitor the performance of the Collateral Debt Obligations on an ongoing basis to the extent practicable using sources of information reasonably available to it and provided that the Collateral Manager shall not be responsible for determining whether or not the terms of any individual Collateral Debt Obligation have been observed.

The activities referred to below that the Collateral Manager may undertake on behalf of the Issuer are subject to the Issuer's, monitoring of the performance of the Collateral Manager under the Collateral Management Agreement.

Sale of Collateral Debt Obligations

1. Sale of Issue Date Collateral Debt Obligations

   The Collateral Manager, acting on behalf of the Issuer shall sell any Issue Date Collateral Debt Obligations which do not comply with the Eligibility Criteria on the Issue Date (each a "**Non-Eligible Issue Date Collateral Debt Obligation**"). Any Sale Proceeds received in connection therewith may be reinvested in Substitute Collateral Debt Obligations satisfying

the Eligibility Criteria or credited to the Principal Account pending such reinvestment. Any interest or principal proceeds received in connection with any Issue Date Collateral Debt Obligations which do not comply with the Eligibility Criteria on the Issue Date prior to their sale shall be credited to the Principal Account.

2. Terms and Conditions applicable to the Sale of Credit Impaired Obligations, Credit Improved Obligations, Defaulted Obligations and Equity Securities

Credit Impaired Obligations, Credit Improved Obligations and Defaulted Obligations may be sold at any time by the Collateral Manager (acting on behalf of the Issuer) subject to:

(a) the Collateral Manager's knowledge, no Note Event of Default having occurred which is continuing; and

(b) the Collateral Manager believes, in its reasonable judgment, that such security constitutes a Credit Impaired Obligation, a Credit Improved Obligation or a Defaulted Obligation as the case may be.

The Collateral Manager may also direct the Issuer to sell any Equity Security at any time without restriction.

3. Terms and Conditions applicable to the Sale of Exchanged Securities

Any Exchanged Security may be sold at any time by the Collateral Manager in its discretion (acting on behalf of the Issuer) subject to, to the Collateral Manager's knowledge, no Note Event of Default having occurred which is continuing.

In addition to any discretionary sale of Exchanged Securities as provided above, the Collateral Manager shall be required by the Issuer to use its commercially reasonable efforts to sell (on behalf of the Issuer) any Exchanged Security which constitutes Margin Stock, as soon as practicable upon its receipt or upon its becoming Margin Stock (as applicable).

4. Discretionary Sales

The Issuer or the Collateral Manager on its behalf may dispose of any Collateral Debt Obligation (or any other asset) at any time if it determines that the acquisition or holding of such Collateral Debt Obligation (or other asset) violates or may in the future violate the U.S. Investment Restrictions.

The Issuer or the Collateral Manager (acting on behalf of the Issuer) may dispose of any Collateral Debt Obligation (other than a Non-Eligible Issue Date Collateral Debt Obligation, an obligation which did not satisfy the Eligibility Criteria on the date on which the Issuer or the Collateral Manager on behalf of the Issuer entered into a binding commitment to acquire it, a Credit Improved Obligation, a Credit Impaired Obligation, a Defaulted Obligation or an Exchanged Security, each of which may only be sold in the circumstances provided above) at any time provided:

(a) to the knowledge of the Collateral Manager, no Note Event of Default having occurred which is continuing;

(b) following the Effective Date, after giving effect to such sale, the Aggregate Principal Balance outstanding of all Collateral Debt Obligations sold as described in this paragraph for a given calendar year is not greater than 30 per cent. of the Aggregate Collateral Balance as of the beginning of such calendar year; and

(c) either:

(i) during the Reinvestment Period, the Collateral Manager reasonably believes prior to such 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 sale in accordance with the Reinvestment Criteria; or

(ii) at any time, either: (1) the Sale Proceeds from such sale are at least sufficient to maintain or increase the Adjusted Aggregate Collateral Balance (as measured before such sale); or (2) after giving effect to such sale, the Aggregate Collateral Balance (excluding the Collateral Debt Obligation being sold but including, without duplication, the Sale Proceeds of such sale) will be greater than (or equal to) the Reinvestment Target Par Amount after giving effect to such sale (as defined below).

For the purposes of determining the percentage of Collateral Debt Obligations sold during any such period, the amount of any Collateral Debt Obligations sold will be reduced to the extent of any purchases of Collateral Debt Obligations of the same obligor (which are *pari passu* or senior to such sold Collateral Debt Obligation) so long as any such Collateral Debt Obligation was sold with the intention of purchasing a Collateral Debt Obligation of the same obligor (which would be *pari passu* or senior to such sold Collateral Debt Obligation); *provided* that for the purposes of such determination, Senior Secured Loans and Senior Secured Bonds shall be deemed to be *pari passu*.

5. Restricted Trading Period

The Issuer or the Collateral Manager (acting on its behalf) shall promptly notify Fitch and Moody's upon the occurrence of a Restricted Trading Period.

6. Sale of Collateral Prior to Maturity Date

In the event of: (i) any redemption of the Rated Notes in whole prior to the Maturity Date; or (ii) receipt of notification from the Trustee of enforcement of the security over the Collateral; the Collateral Manager (acting on behalf of the Issuer) will (at the direction of the Trustee following the enforcement of such security), as far as practicable, arrange for liquidation of the Collateral in order to procure that the proceeds thereof are in immediately available funds by the Business Day prior to the applicable Redemption Date and sell all or part of the Portfolio, as applicable, in accordance with Condition 7 (*Redemption and Purchase*) and clause 25 (*Realisation of Collateral*) of the Collateral Management Agreement but without regard to the limitations set out in clause 19 (*Management of the Portfolio*) and Schedule 3 (*Reinvestment Criteria*) of the Collateral Management Agreement (which will include any limitations or restrictions set out in the Conditions of the Notes and the Trust Deed).

7. Sale of Assets which do not Constitute Collateral Debt Obligations

In the event that an asset did not satisfy the Eligibility Criteria on the date it was required to do so in accordance with the Collateral Management Agreement, the Collateral Manager shall use commercially reasonable efforts to sell such asset. Such proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria or credited to the Principal Account pending such reinvestment.

8. Disposal of Unsaleable Assets

Following the delivery of prior written notice of a proposed Optional Redemption in accordance with Condition 7(b)(iv)(A) (*Terms and conditions of an Optional Redemption*), or the delivery of an Acceleration Notice (actual or deemed) in accordance with Condition 10(b) (*Acceleration*), the Collateral Manager, acting on behalf of the Issuer, may conduct an auction

of Unsaleable Assets. The Issuer will provide notice (in such form as is prepared by the Collateral Manager) to the Noteholders in accordance with the Conditions (and, for so long as any Rated Notes are Outstanding, the Rating Agencies) of such auction, setting forth in reasonable detail a description of each Unsaleable Asset and the following auction procedures:

(a) any Noteholder may submit a written bid to purchase for cash one or more Unsaleable Assets no later than the date specified in the auction notice (which shall be at least 15 Business Days after the date of such notice) and, for any Unsaleable Asset for which one or more bids are received, the Collateral Manager, on behalf of the Issuer, will deliver such Unsaleable Asset to the highest bidder against payment in cash of the bid price;

(b) each bid must include an offer to purchase for a specified amount of cash on a proposed settlement date no later than 20 Business Days after the date of the auction notice;

(c) if no Noteholder submits such a bid for an Unsaleable Asset, unless delivery in kind is not legally permissible or commercially practicable, the Collateral Manager will direct the Issuer to notify, and the Issuer will notify each Noteholder in accordance with the Conditions of the offer to deliver (at no cost to the Noteholders, the Collateral Manager or the Trustee) a *pro rata* portion of each unsold Unsaleable Asset to the Noteholders of the most senior Class that provide delivery instructions to the Collateral Manager on or before the date specified in such notice, subject to minimum denominations. To the extent that minimum denominations do not permit a *pro rata* distribution, the Collateral Manager will identify and distribute the Unsaleable Assets on a *pro rata* basis to the extent possible and the Collateral Manager will select by lottery the Noteholder to whom the remaining portion will be delivered. The Collateral Manager will use reasonable efforts to effect delivery of such portions of unsold Unsaleable Assets. For the avoidance of doubt, any such delivery to the Noteholders will not operate to reduce the principal amount outstanding of the related Notes held by such Noteholders; and

(d) if no such Noteholder provides delivery instructions to the Collateral Manager, the Collateral Manager will take such action (if any) to dispose of the Unsaleable Asset, which may be by donation to a charity, abandonment or other means.

Notwithstanding any of the requirements as described above for sales of Collateral Debt Obligations or as described below for the reinvestment of Collateral Debt Obligations, the Issuer shall have the right to effect the sale or purchase of any Collateral Debt Obligation (provided, in the case of a purchase of a Collateral Debt Obligation, such purchase must comply with the applicable tax requirements, if any) (x) that has been consented to by the Controlling Class acting by Ordinary Resolution and (y) of which each Rating Agency and the Trustee has been notified.

Reinvestment of Collateral Debt Obligations

"**Reinvestment Criteria**" means, during the Reinvestment Period, the criteria set out under "During the Reinvestment Period" below and following the expiry of the Reinvestment Period, the criteria set out below under "Following the Expiry of the Reinvestment Period". The Reinvestment Criteria shall not apply prior to the Effective Date or in the case of a Collateral Debt Obligation which has been restructured where such restructuring has become binding on the holders thereof (whether or not such obligation would constitute a Restructured Obligation).

1. During the Reinvestment Period

During the Reinvestment Period, the Collateral Manager (acting on behalf of the Issuer) at its discretion, shall reinvest any Principal Proceeds (and any Interest Proceeds available for reinvestment in accordance with paragraphs (U) or (V) of the Interest Proceeds Priority of Payments) in the purchase of Substitute Collateral Debt Obligations satisfying the Eligibility Criteria *provided that* immediately after entering into a binding commitment to acquire such Collateral Debt Obligation and taking into account existing commitments, the criteria set out below (which shall apply only after the Effective Date), must be satisfied:

(a) no Note Event of Default has occurred that is continuing at the time of such purchase;

(b) on and after the Effective Date (or in the case of the Interest Coverage Tests, the second Payment Date) the Coverage Tests are satisfied or if (other than with respect to the reinvestment of any proceeds received upon the sale of, or as a recovery on, any Defaulted Obligation, in respect of which such proceeds may only be reinvested if the Coverage Tests will be satisfied immediately following such reinvestment) not satisfied, such Coverage Test will be maintained or improved;

(c) in the case of a Substitute Collateral Debt Obligation purchased with Sale Proceeds of a Credit Impaired Obligation or a Defaulted Obligation either:

(i) the Aggregate Principal Balance of all Substitute Collateral Debt Obligations purchased with such Sale Proceeds shall at least equal such Sale Proceeds; or

(ii) the Reinvestment Balance Criteria will be satisfied;

(d) in the case of a Substitute Collateral Debt Obligation purchased with Sale Proceeds of a Credit Improved Obligation, the Reinvestment Balance Criteria is satisfied;

(e) on and after the Effective Date either: (A) each of the Portfolio Profile Tests and the Collateral Quality Tests will be satisfied; or (B) if any of the Portfolio Profile Tests or Collateral Quality Tests are not satisfied such test will be maintained or improved after giving effect to such reinvestment;

(f) with respect to the reinvestment of Sale Proceeds (other than Sale Proceeds from Credit Improved Obligations, Credit Impaired Obligations, Defaulted Obligations and Exchanged Securities), the Reinvestment Balance Criteria is satisfied, *provided that*, for the avoidance of doubt, with respect to any Collateral Debt Obligations, for which the trade date has occurred during the Reinvestment Period but which settle after such date, the purchase of such Collateral Debt Obligations shall be treated as a purchase made during the Reinvestment Period for purposes of the Trust Deed; and

(g) in the case of a Substitute Collateral Debt Obligation that is an Unhedged Collateral Debt Obligation, the sum of: (A) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligation); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments (save for interest accrued on Eligible Investments) but excluding amounts that will be applied to purchase such Substitute Collateral Debt Obligations) is greater than the Reinvestment Target Par Amount.

2. Following the Expiry of the Reinvestment Period

Following the expiry of the Reinvestment Period, Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations, only,

may be reinvested by the Collateral Manager (acting on behalf of the Issuer) in one or more Substitute Collateral Debt Obligations satisfying the Eligibility Criteria, in each case *provided that*:

(a) either (i) the Reinvestment Balance Criteria will be satisfied, or (ii) solely in the case of additional Collateral Debt Obligations purchased with the proceeds from the sale of any Credit Impaired Obligations, the Reinvestment Balance Criteria can also be satisfied if the Aggregate Principal Balance of all additional Collateral Debt Obligations purchased with the proceeds from such sale (including, without duplication, any remaining net proceeds from such sale) will at least equal the Sale Proceeds from such sale;

(b) with respect to additional Collateral Debt Obligations purchased from proceeds other than from the sale of Credit Impaired Obligations, a Restricted Trading Period is not currently in effect;

(c) either each of the Portfolio Profile Tests and the Collateral Quality Tests (except for the Moody's Minimum Diversity Test and the Moody's Maximum Weighted Average Rating Factor Test) are (I) satisfied after giving effect to such reinvestment; or (II) if not satisfied, are maintained or improved after giving effect to such reinvestment;

(d) the Moody's Maximum Weighted Average Rating Factor Test is satisfied immediately after giving effect to such reinvestment;

(e) the Substitute Collateral Debt Obligation(s) have at least the same Moody's CFR or Moody's Long Term Issuer Probability Rating as the Collateral Debt Obligation(s) that produced such Unscheduled Principal Proceeds or Sale Proceeds as at the date of receipt of such Unscheduled Principal Proceeds or Sale Proceeds (as applicable);

(f) no Note Event of Default has occurred that is continuing at the time of such reinvestment;

(g) each Coverage Test is satisfied immediately before and after giving effect to such reinvestment;

(h) the Substitute Collateral Debt Obligations have the same as or earlier maturity than Collateral Debt Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds;

(i) after giving effect to the reinvestment, the Aggregate Principal Balance of all Fitch CCC Obligations in the Portfolio will not exceed 7.5 per cent. of the Aggregate Collateral Balance;

(j) after giving effect to the reinvestment, the Aggregate Principal Balance of all Moody's Caa Obligations in the Portfolio will not exceed 7.5 per cent. of the Aggregate Collateral Balance; and

(k) in the case of a Substitute Collateral Debt Obligation that is an Unhedged Collateral Debt Obligation, the sum of: (A) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligation); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments (save for interest accrued on Eligible Investments) but excluding

amounts that will be applied to purchase such Substitute Collateral Debt Obligations) is greater than the Reinvestment Target Par Amount.

Following the expiry of the Reinvestment Period, any Unscheduled Principal Proceeds and any Sale Proceeds from the sale of Credit Impaired Obligations and Credit Improved Obligations that have not been reinvested as provided above prior to the end of the Due Period in which such proceeds were received shall be paid into the Principal Account and disbursed in accordance with the Principal Proceeds Priority of Payments on the following Payment Date (subject as provided at the end of this paragraph), save that the Collateral Manager (acting on behalf of the Issuer) may in its discretion procure that Unscheduled Principal Proceeds and Sale Proceeds from the sale of any Credit Impaired Obligations and Credit Improved Obligations are paid into the Principal Account and designated for reinvestment in Substitute Collateral Debt Obligations, in which case such Principal Proceeds shall not be so disbursed in accordance with the Principal Proceeds Priority of Payments for so long as they remain so designated for reinvestment but for no longer than 90 days following their receipt by the Issuer.

3. Amendments to Collateral Debt Obligation Stated Maturities of Collateral Debt Obligations

The Issuer (or the Collateral Manager on the Issuer's behalf) may vote in favour of a Maturity Amendment only if after giving effect to such Maturity Amendment: (a) the Collateral Debt Obligation Stated Maturity of the Collateral Debt Obligation that is the subject of such Maturity Amendment is not later than the Maturity Date of the Rated Notes and (b) the Weighted Average Life Test is satisfied; provided that paragraph (b) shall not apply and the Issuer (or the Collateral Manager on behalf of the Issuer) may, but shall not be required to, vote in favour of such Maturity Amendment, notwithstanding the requirements of paragraph (b) not being satisfied if, after giving effect to such Maturity Amendment, the Collateral Debt Obligation Stated Maturity of the Collateral Debt Obligation that is the subject of such Maturity Amendment is not later than the date falling 18 months earlier than the Maturity Date of the Rated Notes and if, in the reasonable judgment of the Collateral Manager not voting in favour of such Maturity Amendment would be likely to have an adverse effect on the Issuer or the Noteholders (it being agreed that the foregoing proviso shall not apply if the Principal Balance of the Collateral Debt Obligation that is the subject of such Maturity Amendment, when added to the Principal Balance of each Collateral Debt Obligation that has previously been the subject of a Maturity Amendment and to which this proviso has been applied by the Issuer or the Collateral Manager in voting in favour of such Maturity Amendment, exceeds 25 per cent. of the Target Par Amount); *provided that* the requirements in paragraphs (a) and (b) above will not apply to a restructuring of a Defaulted Obligation.

4. Expiry of the Reinvestment Criteria Certification

With respect to the purchase of any Collateral Debt Obligation for which the trade date has occurred prior to the end of the Reinvestment Period but the settlement date for which the Collateral Manager reasonably expects will occur after the end of the Reinvestment Period, to the extent such Collateral Debt Obligation would be purchased using (x) Principal Proceeds consisting of scheduled distributions of principal, only that portion of such Principal Proceeds that the Collateral Manager reasonably expects will be received prior to the end of the Reinvestment Period may be used to effect such purchase and such Collateral Debt Obligation will be treated as having been purchased by the Issuer prior to the end of the Reinvestment Period for purposes of the Reinvestment Criteria and (y) Sale Proceeds received by the Issuer after the end of the Reinvestment Period, if such Sale Proceeds are in settlement of a sale or disposition that occurred (on a trade date basis) prior to the end of the Reinvestment Period, such Sale Proceeds may be used to effect such purchase and the related additional Collateral Debt Obligation will be treated as having been purchased by the Issuer prior to the end of the Reinvestment Period for purposes of the Reinvestment Criteria.

5. Interest Diversion Test

If the Class F Par Value Ratio is less than 104.5 per cent. on the relevant Measurement Date, Interest Proceeds shall be paid to the Principal Account (i) during the Reinvestment Period, for the acquisition of additional Collateral Debt Obligations or, if the Collateral Manager determines that it is unable to identify such additional Collateral Debt Obligations that it considers appropriate for such reinvestment, in redemption by way of Special Redemption of the Rated Notes in accordance with the Note Payment Sequence, in either case in an amount equal to the Reinvestment Period Required Diversion Amount and (ii) following the Reinvestment Period, for the redemption of the Rated Notes by way of Special Redemption in accordance with the Note Payment Sequence, in an amount equal to the Post-Reinvestment Period Required Diversion Amount.

6. Designation for Reinvestment

After the expiry of the Reinvestment Period, the Collateral Manager shall, one Business Day following each Determination Date, notify the Issuer and the Collateral Administrator in writing of all Principal Proceeds which the Collateral Manager determines in its discretion (acting on behalf of the Issuer, and subject to the terms of Collateral Management Agreement as described above) shall remain designated for reinvestment in accordance with the Reinvestment Criteria, on or after the following Payment Date in which event such Principal Proceeds shall not constitute Principal Proceeds which are to be paid into the Payment Account and disbursed on such Payment Date in accordance with the Priorities of Payments.

The Collateral Manager (acting on behalf of the Issuer) may direct that the proceeds of sale of any Collateral Debt Obligation which represents accrued interest be designated as Interest Proceeds and paid into the Interest Account save for: (i) Purchased Accrued Interest; (ii) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; and (iii) any interest received in respect of a Defaulted Obligation for so long as it is a Defaulted Obligation other than Defaulted Obligation Excess Amounts.

7. Accrued Interest

Amounts included in the purchase price of any Collateral Debt Obligation comprising accrued interest thereon may be paid from the Interest Account, the Principal Account or the Unused Proceeds Account at the discretion of the Collateral Manager (acting on behalf of the Issuer) but subject to the terms of the Collateral Management Agreement and Condition 3(k) (*Payments to and from the Accounts*). Notwithstanding the foregoing, in any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Collateral Debt Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Debt Obligation (including, in respect of a Mezzanine Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was purchased at the time of acquisition thereof with Principal Proceeds and/or principal amounts from the Unused Proceeds Account shall constitute Purchased Accrued Interest and shall be deposited into the Principal Account as Principal Proceeds.

8. Block Trades

The requirements described herein with respect to the Portfolio shall be deemed to be satisfied upon any sale and/or purchase of Collateral Debt Obligations on any day in the event that such Collateral Debt Obligations satisfy such requirements in aggregate rather than on an individual basis.

For the purpose of calculating compliance with the Reinvestment Criteria at the election of the Collateral Manager in its sole discretion, any proposed investment (whether a single Collateral Debt Obligation or a group of Collateral Debt Obligations) identified by the Collateral Manager as such at the time when compliance with the Reinvestment Criteria is required to be calculated (a "**Trading Plan**") may be evaluated after giving effect to all sales and reinvestments proposed to be entered into within the ten Business Days following the date of determination of such compliance (such period, the "**Trading Plan Period**"); provided that: (i) no Trading Plan may result in the purchase of Collateral Debt Obligations having an Aggregate Principal Balance that exceeds 5 per cent. of the Aggregate Collateral Balance as of the first day of the Trading Plan Period; (ii) no Trading Plan Period may include a Payment Date; and (iii) no more than one Trading Plan may be in effect at any time during a Trading Plan Period. For the avoidance of doubt, when calculating compliance with the Reinvestment Criteria, where a particular criterion in the Reinvestment Criteria only applies to one or some, but not all, of the Collateral Debt Obligations in a Trading Plan, (a) that criterion shall apply to the relevant Collateral Debt Obligation(s) only, (b) only those Collateral Debt Obligations shall, together with all other Collateral Debt Obligations in the Portfolio, be aggregated for the purpose of calculating compliance with that criterion and (c) the other Collateral Debt Obligations in the Trading Plan shall not be taken into consideration for the purpose of calculating compliance with that criterion.

9. Eligible Investments

The Issuer or the Collateral Manager (acting on behalf of the Issuer) may from time to time purchase Eligible Investments out of the Balances standing to the credit of the Accounts (other than each Counterparty Downgrade Collateral Account, the Unfunded Revolver Reserve Account and the Payment Account). For the avoidance of doubt, Eligible Investments may be sold by the Issuer or the Collateral Manager (acting on behalf of the Issuer) at any time.

10. Collateral Enhancement Debt Obligations

The Collateral Manager (acting on behalf of the Issuer) may, from time to time purchase Collateral Enhancement Debt Obligations independently or as part of a unit with the Collateral Debt Obligations being so purchased.

All funds required in respect of the purchase price of any Collateral Enhancement Debt Obligations, and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of the balance standing to the credit of the Collateral Enhancement Account at the relevant time. Pursuant to Condition 3(k)(vi) (*Collateral Enhancement Account*), such Balance shall be comprised of all sums deposited therein from time to time which will comprise interest payable in respect of the Subordinated Notes which the Collateral Manager acting on behalf of the Issuer, determines shall be paid into the Collateral Enhancement Account pursuant to the Priorities of Payments rather than being paid to the Subordinated Noteholders.

The Collateral Manager may also, at its discretion, fund the exercise of one or more Collateral Enhancement Debt Obligations by making a Collateral Manager Advance to the Issuer during the Reinvestment Period.

Collateral Enhancement Debt Obligations may be sold at any time and all Collateral Enhancement Debt Obligation Proceeds received by the Issuer shall be deposited into the Principal Account for allocation in accordance with the Principal Proceeds Priority of Payments.

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

11. Exercise of Warrants and Options

The Collateral Manager acting on behalf of the Issuer may at any time exercise a warrant or option attached to a Collateral Debt Obligation or comprised in a Collateral Enhancement Debt Obligation and shall on behalf of the Issuer instruct the Account Bank to make any necessary payment pursuant to a duly completed form of instruction.

12. Margin Stock

The Collateral Management Agreement requires that the Collateral Manager, on behalf of the Issuer, shall use commercially reasonable endeavours to sell any Collateral Debt Obligation, Exchanged Security or Collateral Enhancement Debt Obligation which is or at any time becomes Margin Stock as soon as practicable following such event and, in any event, within 30 days of becoming aware that such securities constitute Margin Stock.

13. Relevant Irish SME Loans

The Collateral Management Agreement requires that the Collateral Manager, on behalf of the Issuer, shall use commercially reasonable endeavours to sell any Collateral Debt Obligation that is a relevant Irish SME Loan as soon as practicable where the ownership of such Collateral Debt Obligation by the Issuer would require the Issuer to be authorised as a "credit servicing firm" within the meaning of the Credit Servicing Act.

14. Revolving Obligations and Delayed Drawdown Collateral Debt Obligations

The Collateral Manager acting on behalf of the Issuer, may acquire Collateral Debt Obligations which are Revolving Obligations or Delayed Drawdown Collateral Debt Obligations from time to time.

Such Revolving Obligations and Delayed Drawdown Collateral Debt Obligations may only be acquired if they are capable of being drawn in a single currency only (being Euros) and are not payable in or convertible into another currency.

Each Revolving Obligation and Delayed Drawdown Collateral Debt Obligation will, pursuant to its terms, require the Issuer to make one or more future advances or other extensions of credit (including extensions of credit made on an unfunded basis pursuant to which the Issuer may be required to reimburse the provider of a guarantee or other ancillary facilities made available to the obligor thereof in the event of any default by the obligor thereof in respect of its reimbursement obligations in connection therewith). Such Revolving Obligations and Delayed Drawdown Collateral Debt Obligations may or may not provide that they may be repaid and reborrowed from time to time by the Obligor thereunder. Upon acquisition of any Revolving Obligations and Delayed Drawdown Collateral Debt Obligations, the Issuer shall deposit into the Unfunded Revolver Reserve Account amounts equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Collateral Debt Obligations. To the extent required and subject to Rating Agency Confirmation, the Issuer, or the Collateral Manager acting on its behalf, may direct that amounts standing to the credit of the Unfunded Revolver Reserve Account be deposited with a third party from time to time as collateral for any reimbursement or indemnification obligations owed by the Issuer to any other lender in connection with a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation, as applicable and upon receipt of an Issuer Order (as defined in the Master Definitions Agreement) the Trustee shall be deemed to have released such amounts from the security granted thereover pursuant to the Trust Deed.

Participations

The Collateral Manager acting on behalf of the Issuer, may from time to time acquire Collateral Debt Obligations from Selling Institutions by way of Participation *provided that* at the time such Participation is taken:

(a) the percentage of the Aggregate Collateral Balance that represents Participations entered into by the Issuer with a single Selling Institution to such third party will not exceed the individual and aggregate percentages set out in the Bivariate Risk Table determined by reference to the credit rating of such third party (or any guarantor thereof); and

(b) the percentage of the Aggregate Collateral Balance that represents Participations entered into by the Issuer with Selling Institutions (or any guarantor thereof) having the same credit rating (taking the lowest rating assigned thereto by any Rating Agency),

will not exceed the aggregate third party credit exposure limit set out in the Bivariate Risk Table for such credit rating, and for the purpose of determining the foregoing, account shall be taken of each sub participation from which the Issuer, directly or indirectly derives its interest in the relevant Collateral Debt Obligation.

Each Participation entered into pursuant to a sub-participation agreement shall be substantially in the form of:

(a) the LSTA Model Participation Agreement for par/near par trades (as published by the Loan Syndications and Trading Association Inc. from time to time);

(b) the LMA Funded Participation (Par) (as published by the Loan Market Association from time to time); or

(c) such other documentation *provided such* agreement contains limited recourse and non-petition language substantially the same as the Trust Deed.

Assignments

The Collateral Manager acting on behalf of the Issuer, may from time to time acquire Collateral Debt Obligations from Selling Institutions by way of Assignment provided that at the time such Assignment is acquired the Collateral Manager acting on behalf of the Issuer shall have complied, to the extent within their control, with any requirements relating to such Assignment set out in the relevant loan documentation for such Collateral Debt Obligation (including, without limitation, with respect to the form of such Assignment and obtaining the consent of any person specified in the relevant loan documentation).

Bivariate Risk Table

The following is the bivariate risk table (the "**Bivariate Risk Table**") and as referred to in "Portfolio Profile Tests and Collateral Quality Tests" below and "Participations" above. For the purposes of the limits specified in the Bivariate Risk Table, the individual third party credit exposure limit shall be determined by reference to the Aggregate Principal Balance of all Participations (excluding any Defaulted Obligations) entered into by the Issuer with the same counterparty (such amount in respect of such entity, the "**Third Party Exposure**") and the applicable percentage limits shall be determined by reference to the lower of the Fitch or Moody's ratings applicable to such counterparty. The aggregate third party credit exposure limit shall be determined by reference to the aggregate of Third Party Exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

Bivariate Risk Table

Long Term / Short Term Senior Unsecured Debt Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*
Moody's		
Aaa	5%	5%
Aa1	5%	5%
Aa2	5%	5%
Aa3	5%	5%
A1	5%	5%
A2 and P-1	5%	5%
A3 or below	0%	0%
Fitch		
AAA	5%	5%
AA+	5%	5%
AA	5%	5%
AA-	5%	5%
A+	5%	5%
A	5%	5%
A- or below	0%	0%

* As a percentage of the Aggregate Collateral Balance (excluding any Defaulted Obligations) the aggregate third party credit exposure limit shall be determined by reference to the aggregate of the third party credit exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

Portfolio Profile Tests and Collateral Quality Tests

Measurement of Tests

The Portfolio Profile Tests and the Collateral Quality Tests will be used as criteria for purchasing Collateral Debt Obligations. The Collateral Administrator will measure the Portfolio Profile Tests and the Collateral Quality Tests on each Measurement Date (save as otherwise provided herein).

Substitute Collateral Debt Obligations in respect of which a binding commitment has been made to purchase such Substitute Collateral Debt Obligations but such purchase has not been settled shall nonetheless be deemed to have been purchased for the purposes of the Portfolio Profile Tests and the Collateral Quality Tests. Collateral Debt Obligations in respect of which a binding commitment has been made to sell such Collateral Debt Obligations, but such sale has not been settled, shall be deemed to have been sold for the purposes of the Portfolio Profile Tests, the Collateral Quality Tests, the Coverage Tests, the Interest Diversion Test and all other tests and criteria applicable to the Portfolio. See "The Portfolio - Reinvestment of Collateral Debt Obligations" above.

Notwithstanding the foregoing, the failure of the Portfolio to meet the requirements of the Portfolio Profile Tests at any time shall not prevent any obligation which would otherwise be a Collateral Debt Obligation from being a Collateral Debt Obligation.

Portfolio Profile Tests

The Portfolio Profile Tests will consist of each of the following:

(a) not less than 90 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Senior Secured Loans and Senior Secured Bonds (which term, for the purposes of this paragraph (a), shall comprise the aggregate of the Aggregate Principal Balance of the Senior Secured Loans and Senior Secured Bonds and (without duplication) the Balances standing to the credit of the Principal Account and the Unused Proceeds Account and any

Eligible Investments which represent Principal Proceeds, in each case as at the relevant Measurement Date);

(b) not more than 30 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Senior Secured Bonds and High Yield Bonds;

(c) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Second Lien Loans, Senior Unsecured Obligations, High Yield Bonds, and Mezzanine Obligations;

(d) not more than 12.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fixed Rate Collateral Debt Obligations;

(e) not more than 25 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Asset Swap Obligations *provided that* an Asset Swap Transaction is entered into in respect of each such Asset Swap Obligation with one or more Asset Swap Counterparties satisfying the applicable Rating Requirement under which the currency risk is reduced or eliminated, as soon as practicable (and no later than the relevant settlement date);

(f) not more than 2.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Unhedged Collateral Debt Obligations;

(g) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Swapped Non-Discount Obligations;

(h) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of Obligors who are Domiciled in countries or jurisdictions with a Fitch country ceiling below "AAA" unless a Rating Agency Confirmation from Fitch is obtained;

(i) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of Obligors who are Domiciled in countries or jurisdictions with Moody's local currency country risk ceiling between "A1" and "A3" unless a Rating Agency Confirmation from Moody's is obtained;

(j) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of Current Pay Obligations;

(k) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of Unfunded Amounts/Funded Amounts under Revolving Obligations or Delayed Drawdown Collateral Debt Obligations;

(l) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of Corporate Rescue Loans, *provided that* not more than 2 per cent. thereof shall consist of Corporate Rescue Loans from a single Obligor;

(m) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are PIK Obligations;

(n) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Annual Obligations unless Rating Agency Confirmation has been obtained;

(o) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Moody's Caa Obligations;

(p) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fitch CCC Obligations;

(q) not more than 10 per cent. of the Aggregate Collateral Balance shall carry a Moody's Rating derived from an S&P Rating;

(r) with respect to Senior Secured Loans and Senior Secured Bonds not more than 2.5 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor *provided that* the Aggregate Principal Balance of such obligations of 5 Obligors may each represent up to 3 per cent. each;

(s) with respect to Senior Unsecured Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds, in aggregate, not more than 1.5 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor *provided that* up to 3 Obligors may represent up to 2 per cent. each;

(t) not more than 3 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor;

(u) not more than 10 per cent. of the Aggregate Principal Balance shall be obligations comprising any one Fitch industry category; *provided that* (i) the Aggregate Principal Balance of Collateral Debt Obligations whose Obligors belong to the Fitch industry category containing the most Collateral Debt Obligations (by Aggregate Principal Balance) may be less than or equal to 17.5 per cent. of the Aggregate Principal Balance; (ii) the Aggregate Principal Balance of Collateral Debt Obligations whose Obligors belong to the Fitch industry category containing the second most Collateral Debt Obligations (by Aggregate Principal Balance) may be less than or equal to 15 per cent. of the Aggregate Principal Balance; (iii) the Aggregate Principal Balance of Collateral Debt Obligations whose Obligors belong to the Fitch industry category containing the third most Collateral Debt Obligations (by Aggregate Principal Balance) may be less than or equal to 15 per cent. of the Aggregate Principal Balance; and (iv) the Aggregate Principal Balance of Collateral Debt Obligations whose Obligors belong to the three Fitch industry category containing the most Collateral Debt Obligations must not be greater than 40 per cent. of the Aggregate Principal Balance;

(v) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of Participations;

(w) not more than 2.5 per cent. of the Aggregate Collateral Balance shall consist of Bridge Loans;

(x) the limits set out in the Bivariate Risk Table determined by reference to the ratings of Selling Institutions shall be satisfied;

(y) not more than 30 per cent. of the Aggregate Collateral Balance shall consist of Cov-Lite Loans;

(z) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of Medium Obligors 1;

(aa) not more than 2.5 per cent. of the Aggregate Collateral Balance shall consist of Medium Obligors 2; and

(bb) not less than 70 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Senior Secured Loans (which term, for the purposes of this paragraph (aa), shall comprise the aggregate of the Aggregate Principal Balance of the Senior Secured Loans and (without duplication) the Balances standing to the credit of the Principal Account and the Unused Proceeds Account and any Eligible Investments which represent Principal Proceeds, in each case as at the relevant Measurement Date).

"**Medium Obligor 1**" means a Collateral Debt Obligation issued by an issuer having a total potential indebtedness (as determined by original or subsequent issuance size, at the time of purchase by the Issuer, whether drawn or undrawn) under all loan agreements, indentures, and other Underlying Instruments entered into directly or indirectly by such issuer of less than €200,000,000 but greater than or equal to €150,000,000 (it being understood, and as a clarification only, that any principal payments made in respect of such loan agreements, indentures and other Underlying Instruments shall

not be taken into account for purposes of this definition). For the avoidance of doubt, if a Collateral Debt Obligation is determined not to be a Medium Obligor 1 at the time the Issuer commits to acquire such obligation, it shall not thereafter be deemed to be a Medium Obligor 1.

"**Medium Obligor 2**" means a Collateral Debt Obligation issued by an issuer having a total potential indebtedness (as determined by original or subsequent issuance size, at the time of purchase by the Issuer, whether drawn or undrawn) under all loan agreements, indentures, and other Underlying Instruments entered into directly or indirectly by such issuer of less than €150,000,000 but greater than or equal to €100,000,000 (it being understood, and as a clarification only, that any principal payments made in respect of such loan agreements, indentures and other Underlying Instruments shall not be taken into account for purposes of this definition). For the avoidance of doubt, if a Collateral Debt Obligation is determined not to be a Medium Obligor 2 at the time the Issuer commits to acquire such obligation, it shall not thereafter be deemed to be a Medium Obligor 2.

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

The percentage requirements applicable to different types of Collateral Debt Obligations specified in the Portfolio Profile Tests shall be determined by reference to the Aggregate Principal Balance of such type of Collateral Debt Obligations, excluding Defaulted Obligations. Collateral Debt Obligations for which the Issuer (or the Collateral Manager acting on behalf of the Issuer) has entered into binding commitments to purchase but have not yet settled shall be included for the purposes of calculating the Portfolio Profile Tests and Collateral Debt Obligations for which the Issuer (or the Collateral Manager acting on behalf of the Issuer) has entered into binding commitments to sell but have not yet settled shall be excluded for the purposes of calculating the Portfolio Profile Tests.

Collateral Quality Tests

The Collateral Quality Tests will consist of each of the following:

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

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

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

(b) so long as any Notes rated by Moody's are Outstanding:

  (i) the Moody's Minimum Diversity Test;

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

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

(c) so long as any Rated Notes are Outstanding:

  (i) the Weighted Average Life Test;

  (ii) the Minimum Weighted Average Spread Test; and

  (iii) the Minimum Weighted Average Coupon Test,

each as defined in the Collateral Management Agreement.

The Principal Balance of Defaulted Obligations shall be excluded for the purposes of calculating the Collateral Quality Tests.

Moody's Test Matrix

(a) Subject to the provisions provided below, on or after the Effective Date, the Collateral Manager will have the option to elect which of the cases set out in the matrix to be set out in the Collateral Management Agreement (the "**Moody's Test Matrix**") shall be applicable for purposes of the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Diversity Test and the Minimum Weighted Average Spread Test. For any given case:

(b) the applicable column for performing the Moody's Minimum Diversity Test will be the column (or linear interpolation between two adjacent columns, as applicable) in which the elected case is set out;

(c) the applicable row and column for performing the Moody's Maximum Weighted Average Rating Factor Test will be the row and column (or linear interpolation between two adjacent rows and/or two adjacent columns (as applicable) in which the elected case is set out; and

(d) the applicable row for performing the Minimum Weighted Average Spread Test will be the row (or linear interpolation between two adjacent rows, as applicable) in which the elected test is set out.

On the Effective Date, the Collateral Manager will be required to elect which case shall apply initially. Thereafter, at any time with notice to the Issuer, the Collateral Administrator and Moody's, the Collateral Manager may elect to have a different case apply, provided that the Moody's Minimum Diversity Test, the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Spread Test applicable to the case to which the Collateral Manager desires to change are satisfied (and, in relation to the Minimum Weighted Average Spread Test, taking into account the case that the Collateral Manager has elected to apply under the Fitch Test Matrix) or, in the case of any tests that are not satisfied, are closer to being satisfied. In no event will the Collateral Manager be obliged to elect to have a different case apply. The Moody's Test Matrix may be amended and/or supplemented and/or replaced by the Collateral Manager subject to Rating Agency Confirmation from Moody's.

Fitch Tests Matrices

Subject to the provisions provided below, on or after the Effective Date, the Collateral Manager will have the option to elect which of the cases set out in the matrix to be set out in the Collateral Management Agreement (the "**Fitch Test Matrices**") shall be applicable for purposes of the Fitch Maximum Weighted Average Rating Factor Test, the Fitch Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Spread Test. For any given case:

(a) the applicable column for performing the Fitch Maximum Weighted Average Rating Factor Test will be the column (or linear interpolation between two adjacent columns, as applicable) in the applicable Fitch Test Matrix selected by the Collateral Manager;

(b) the applicable row for performing the Minimum Weighted Average Spread Test will be the row (or linear interpolation between two adjacent rows, as applicable) in the applicable Fitch Test Matrix selected by the Collateral Manager; and

(c) the applicable column and row for performing the Fitch Minimum Weighted Average Recovery Rate Test will be the column (or linear interpolation between two adjacent rows and/or two adjacent columns, as applicable) and row in the applicable Fitch Test Matrix selected by the Collateral Manager in relation to (a) and (b) above.

On the Effective Date, the Collateral Manager will be required to elect which case shall apply initially. Thereafter, at any time with notice to the Issuer, the Collateral Administrator and Fitch, the Collateral Manager may elect to have a different case apply, provided that the Fitch Maximum Weighted Average Rating Factor Test, the Fitch Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Spread Test applicable to the case to which the Collateral Manager desires to change are satisfied or, in the case of any tests that are not satisfied, are closer to being satisfied. In no event will the Collateral Manager be obliged to elect to have a different case apply. The Fitch Tests Matrices may be amended and/or supplemented and/or replaced by the Collateral Manager subject to Rating Agency Confirmation from Fitch.

The Moody's Minimum Diversity Test

The "**Moody's Minimum Diversity Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Diversity Score equals or exceeds the number set out in the column entitled "**Minimum Diversity Score**" in the Moody's Test Matrix based upon the applicable "row/column" combination chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)).

The "**Diversity Score**" is a single number that indicates collateral concentration and correlation in terms of both issuer and industry concentration and correlation. It is similar to a score that Moody's uses to measure concentration and correlation for the purposes of its ratings. A higher Diversity Score reflects a more diverse portfolio in terms of the issuer and industry concentration. The Diversity Score for the Collateral Debt Obligations is calculated by summing each of the Industry Diversity Scores which are calculated as follows and rounding the result up to the nearest whole number:

(a) an "**Average Principal Balance**" is calculated by summing the Obligor Principal Balances and dividing by the sum of the aggregate number of issuers and/or borrowers represented;

(b) an "**Obligor Principal Balance**" is calculated for each Obligor represented in the Collateral Debt Obligations by summing the Principal Balances of all Collateral Debt Obligations (excluding Defaulted Obligations) issued by such Obligor, *provided that* if a Collateral Debt Obligation has been sold or is the subject of an optional redemption or Offer, and the Sale Proceeds or Unscheduled Principal Proceeds from such event have not yet been reinvested in Substitute Collateral Debt Obligations or distributed to the Holders or the other creditors of the Issuer in accordance with the Priorities of Payments, the Obligor Principal Balance shall be calculated as if such Collateral Debt Obligation had not been sold or was not subject to such an optional redemption or Offer;

(c) an "**Equivalent Unit Score**" is calculated for each Obligor by taking the lesser of (i) one and (ii) the Obligor Principal Balance for such Obligor divided by the Average Principal Balance;

(d) an "**Aggregate Geographically Based Industry Equivalent Unit Score**" is then calculated for each Geographically Based Industry Group by summing the Equivalent Unit Scores for each Obligor in the same Geographically Based Industry Group; (or such other Equivalent Unit Scores as are published by Moody's from time to time);

(e) a "**Geographically Based Industry Group**" means:

(i) in respect of local industries, those obligors which are classified under the same Moody's industry group in the Moody's industrial classification and which are incorporated or domiciled in the same region, or

(ii) in respect of global industries, those obligors which are classified under the same Moody's industry group in the Moody's industrial classification,

provided that, in respect of industry groups, global, local and regional classifications, such classifications as published by Moody's from time to time are used; and

(f) an "**Industry Diversity Score**" is then established by reference to the Diversity Score Table shown below (or such other Diversity Score Table as is published by Moody's from time to time) (the "**Diversity Score Table**") for the related Aggregate Industry Equivalent Unit Score. If the Aggregate Industry Equivalent Unit Score falls between any two such scores shown in the Diversity Score Table, then the Industry Diversity Score is the lower of the two Diversity Scores in the Diversity Score Table.

For purposes of calculating the Diversity Scores any Obligors Affiliated with one another will be considered to be one Obligor.

Diversity Score Table

Aggregate Geographically Based Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Geographically Based Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Geographically Based Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Geographically Based 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
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

Aggregate Geographically Based Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Geographically Based Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Geographically Based Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Geographically Based Industry Equivalent Unit Score	Industry Diversity Score
4.6500	2.5667	9.7500	3.9500	14.8500	4.4900	19.9500	5.0000
4.7500	2.6000	9.8500	3.9750	14.9500	4.5000		
4.8500	2.6333	9.9500	4.0000	15.0500	4.5100		
4.9500	2.6667	10.0500	4.0100	15.1500	4.5200		

The Moody's Maximum Weighted Average Rating Factor Test

The "**Moody's Maximum Weighted Average Rating Factor Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Adjusted Weighted Average Moody's Rating Factor of the Collateral Debt Obligations as at such Measurement Date is equal to or less than the sum of (i) the number set out in the Moody's Test Matrix at the intersection of the applicable "row/column" combination chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)), (acting on behalf of the Issuer) as at such Measurement Date plus (ii) the Moody's Weighted Average Recovery Adjustment, plus (iii) the Moody's Weighted Average Spread Adjustment provided however that, the sum of (i), (ii) and (iii) may not exceed 3,700.

The "**Moody's Weighted Average Rating Factor**" is determined by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation (excluding any Defaulted Obligation) by its Moody's Rating Factor, dividing such sum by the Aggregate Principal Balance of all such Collateral Debt Obligations (excluding any Defaulted Obligation) and then rounding the result up to the nearest whole number (rounded up to the nearest whole number).

The "**Moody's Rating Factor**" relating to any Collateral Debt Obligation is the number set out in the table below opposite the Moody's Default Probability Rating of such Collateral Debt Obligation.

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
Aaa	1	Ba1	940
Aa1	10	Ba2	1,350
Aa2	20	Ba3	1,766
Aa3	40	B1	2,220
A1	70	B2	2,720
A2	120	B3	3,490
A3	180	Caa1	4,770
Baa1	260	Caa2	6,500
Baa2	360	Caa3	8,070
Baa3	610	Ca or lower	10,000

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

(a) zero; and

(b) the product of:

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

(B) 40; and

(ii) (A) with respect to the adjustment of the Moody's Maximum Weighted Average Rating Factor Test, such figure specified in the Collateral Management Agreement; and

(B) with respect to the adjustment of the Minimum Weighted Average Spread Test, such percentage specified in the Collateral Management Agreement, provided that if the Weighted Average Moody's Recovery Rate for purposes of determining the Moody's Weighted Average Recovery Adjustment is greater than 60 per cent., then such Weighted Average Moody's Recovery Rate shall equal 60 per cent. unless Rating Agency Confirmation is obtained;

provided further that the amount specified in clause (b)(i) above may only be allocated once on any Measurement Date and the Collateral Manager shall designate to the Collateral Administrator in writing on each such date the portion of such amount that shall be allocated to clause (b)(i)(A) and the portion of such amount that shall be allocated to clause (b)(i)(B) (it being understood that, absent an express designation by the Collateral Manager, all such amounts shall be allocated to clause (b)(i)(A)).

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

(a) zero; and

(b) an amount equal to the product of:

(i) such percentage as specified in the Collateral Management Agreement minus the weighted average spread of the Class A-1 Notes and the Class B-1 Notes (not taking into account any payments on the Rated Notes); and

(ii) such figure as specified in the Collateral Management Agreement.

"**Adjusted Weighted Average Moody's Rating Factor**" means, as of any Measurement Date, a number equal to the Moody's Weighted Average Rating Factor determined in the following manner: each applicable rating on credit watch by Moody's that is (a) on review for upgrade will be treated as having been upgraded by one rating subcategory, (b) on review for downgrade will be treated as having been downgraded by two rating subcategories and (c) negative outlook will be treated as having been downgraded by one rating subcategory.

The Moody's Minimum Weighted Average Recovery Rate Test

The "**Moody's Minimum Weighted Average Recovery Rate Test**" will be satisfied, as at any Measurement Date from (and including) the Effective Date, if the Weighted Average Moody's Recovery Rate is greater than or equal to (i) 40.0 per cent. *minus* (ii) the Moody's Weighted Average Rating Factor Adjustment *provided that* the difference between (i) and (ii) may not be lower than 37.0 per cent.

The "**Weighted Average Moody's Recovery Rate**" means, as of any Measurement Date, the number, expressed as a percentage, obtained by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation (excluding Defaulted Obligations) by its corresponding Moody's Recovery Rate and dividing such sum by the Aggregate Principal Balance of all such Collateral Debt Obligations and rounding up to the nearest 0.1 per cent.

The "**Moody's Recovery Rate**" is, except as otherwise advised by Moody's, with respect to any Collateral Debt Obligation, as of any Measurement Date, the recovery rate determined in accordance with the following, in the following order of:

(a) if the Collateral Debt Obligation has been specifically assigned a recovery rate by Moody's (for example, in connection with the assignment by Moody's of an estimated rating), such recovery rate;

(b) if the preceding clause does not apply to the Collateral Debt Obligation, except with respect to Corporate Rescue Loan, the rate determined pursuant to the table below based on the number of rating subcategories difference between the Collateral Debt Obligation's Moody's Rating and its Moody's Default Probability Rating (for purposes of clarification, if the Moody's Rating is higher than the Moody's Default Probability Rating, the rating 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	Senior Secured Loans, Second Lien Loans, Senior Secured Bonds, Senior Secured Floating Rate Notes *	All other Collateral Debt Obligations
+2 or more	60%	55%	45%
+1	50%	45%	35%
0	45%	35%	30%
-1	40%	25%	25%
-2	30%	15%	15%
-3 or less	20%	5%	5%

* If such Collateral Debt Obligation does not have both a Collateral Debt Obligation's Moody's Rating and a CFR, such Collateral Debt Obligation will be deemed to fall under "All Other Collateral Debt Obligations" for purposes of this table.

(c) if the Collateral Debt Obligation is a Corporate Rescue Loan (other than a Corporate Rescue Loan which has been specifically assigned a recovery rate by Moody's), 50 per cent.

The "**Moody's Weighted Average Rating Factor Adjustment**" means an amount, expressed as a percentage as of any Measurement Date equal to the greater of:

(a) zero; and

(b) the number obtained by dividing:

(i) (A) the number set out in the Moody's Test Matrix at the intersection of the applicable "row/column" combination chosen by the Collateral Manager (acting on behalf of the Issuer) (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)), as at such Measurement Date minus (B) the Adjusted Weighted Average Moody's Rating Factor; by

(ii) such percentage as specified in the Collateral Management Agreement;

and dividing the result by 100.

The Fitch Maximum Weighted Average Rating Factor Test

"**Fitch Maximum Weighted Average Rating Factor Test**" means that test that will be satisfied, on any Measurement Date from (and including) the Effective Date, if the Fitch Weighted Average Rating Factor as at such date is less than or equal to the applicable level in the Fitch Tests Matrices.

"**Fitch Weighted Average Rating Factor**" is the number determined by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation by its Fitch Rating Factor, dividing such sum by the Aggregate Principal Balance of all such Collateral Debt Obligations and rounding the result to the nearest two decimal places. For the purposes of determining the Principal Balance and the Aggregate Principal Balance of all Collateral Debt Obligations in this definition, the Principal Balance of each Defaulted Obligation shall be excluded.

"**Fitch Rating Factor**" means, in respect of any Collateral Debt Obligation, the number set out in the table below opposite the Fitch Rating in respect of such Collateral Debt Obligation. The following table provides certain probabilities of default relating to Fitch Rating Factors. The information is subject to change and any probabilities of default in respect of Fitch Rating Factors may not at any time necessarily reflect the below table.

Fitch Rating	Fitch Rating Factor
AAA	0.19
AA+	0.35
AA	0.64
AA-	0.86
A+	1.17
A	1.58
A-	2.25
BBB+	3.19
BBB	4.54
BBB-	7.13
BB+	12.19
BB	17.43
BB-	22.80
B+	27.80
B	32.18
B-	40.60
CCC+	62.80
CCC	62.80
CCC-	62.80
CC	100.00
C	100.00
D	100.00

The Fitch Minimum Weighted Average Recovery Rate Test

"**Fitch Minimum Weighted Average Recovery Rate Test**" means the test that will be satisfied in respect of the Notes on any Measurement Date from (and including) the Effective Date, if the Fitch Weighted Average Recovery Rate is greater than or equal to the applicable level in the Fitch Tests Matrices.

"**Fitch Weighted Average Recovery Rate**" means, as of any Measurement Date, the rate (expressed as a percentage) determined by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation by the Fitch Recovery Rate in relation thereto and dividing such sum by the Aggregate Principal Balance of all Collateral Debt Obligations and rounding to the nearest 0.1 per cent. For the purposes of determining the Principal Balance and the Aggregate Principal Balance of all Collateral Debt Obligations in this definition, the Principal Balance of each Defaulted Obligation shall be excluded.

"**Fitch Recovery Rate**" means, with respect to a Collateral Debt Obligation, the recovery rate determined in accordance with paragraphs (a) to (c) below or (in any case) such other recovery rate as Fitch may notify the Collateral Manager from time to time:

(a) if such Collateral Debt Obligation has a public Fitch recovery rating, or a recovery rating is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Collateral Manager, the recovery rate corresponding to such recovery rating in the table below (unless an obligation's specific recovery rate (expressed as a percentage) is provided by Fitch in which case such recovery rate is used):

Fitch recovery rating	Fitch recovery rate (%)
RR1	95
RR2	80
RR3	60
RR4	40
RR5	20
RR6	5

(b) if such Collateral Debt Obligation (A) has no public Fitch recovery rating, (B) neither a recovery rating nor an obligation's specific recovery rate is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Collateral Manager and (C) has a public S&P recovery rating, the recovery rate corresponding to such recovery rating in the table below:

S&P recovery rating	Fitch recovery rate (%)
1+	95
1	95
2	80
3	60
4	40
5	20
6	5

(c) if such Collateral Debt Obligation (A) has no public Fitch recovery rating, (B) neither a recovery rating nor an obligation's specific recovery rate is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Collateral Manager and (C) has no public S&P recovery rating, (x) if such Collateral Debt Obligation is a Senior Secured Bond, the recovery rate applicable to such Senior Secured Bond shall be the recovery rate corresponding to the Fitch recovery rating of "RR3" in the table set out under (i) above and (y) otherwise, the recovery rate determined in accordance with the table below, where the Collateral Debt Obligation shall be categorised as "**Strong Recovery**" if it is a Senior Secured Loan, "**Moderate Recovery**" if it is an Senior Unsecured Obligation and otherwise "**Weak Recovery**", and shall fall into the country group corresponding to the country in which the Obligor thereof is Domiciled:

	United States	Group A	Group B	Group C	Group D
Strong Recovery	80	75	55	45	35
Moderate Recovery	45	45	40	30	25
Weak Recovery	20	20	5	5	5

The country group of a Collateral Debt Obligation shall be determined, by reference to the country where it is Domiciled, in accordance with the below:

Group A: Australia, Canada, Denmark, Finland, Germany, Iceland, Japan, Korea, Netherlands, Norway, Puerto Rico (U.S.), United Kingdom.

Group B: Austria, Barbados, Belgium, Czech Republic, France, Hong Kong, Ireland, Israel, Italy, Mexico, New Zealand, Portugal, Singapore, Spain, Sweden, Taiwan.

Group C: Bahamas, Bosnia & Herzegovina, Botswana, Brazil, Bulgaria, China, Colombia, Croatia, Estonia, Jamaica, Latvia, Luxembourg, Malaysia, Mauritius, Moldova, Montenegro, Philippines, Poland, Romania, Serbia, Seychelles, Slovakia, Slovenia, South Africa, Switzerland, Thailand, Tunisia, Uruguay.

Group D: Argentina, Azerbaijan, Bahrain, Belarus, Cabo Verde, Chile, Costa Rica, Dominican Republic, Ecuador, Egypt, El Salvador, Grenada, Guatemala, Hungary, India, Indonesia, Jordan, Kazakhstan, Kuwait, Lebanon, Lithuania, Macedonia, Maldives, Malta, Morocco, Namibia, Nigeria, Oman, Panama, Papua New Guinea, Paraguay, Peru, Russia, Saudi Arabia, Sri Lanka, Turkey, Ukraine, United Arab Emirates, Vietnam, Cyprus, Greece.

The Minimum Weighted Average Spread Test

The "**Minimum Weighted Average Spread Test**" will be satisfied if, as at any Measurement Date from (and including) the Effective Date the Weighted Average Floating Spread as at such Measurement Date plus the Excess Weighted Average Coupon as at such Measurement Date equals or exceeds the Minimum Weighted Average Floating Spread as at such Measurement Date.

The "**Minimum Weighted Average Floating Spread**", as of any Measurement Date, means the greater of:

(a) the weighted average spread (expressed as a percentage) applicable to the current Fitch Tests Matrix selected by the Collateral Manager; and

(b) the weighted average spread (expressed as a percentage) applicable to the current Moody's Test Matrix based upon the option chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) reduced by the Moody's Weighted Average Recovery Adjustment, *provided such* reduction may not reduce the Minimum Weighted Average Spread below 3.00 per cent.

The "**Weighted Average Floating Spread**" as of any Measurement Date, is the number obtained by dividing:

(a) the amount equal to (A) the Aggregate Funded Spread *plus* (B) the Aggregate Unfunded Spread *plus* (C) the Aggregate Excess Funded Spread; by

(b) the lesser of (i) the Reinvestment Target Par Amount minus the Aggregate Principal Balance of all Fixed Rate Collateral Debt Obligations as of such Measurement Date, and (ii) the Aggregate Principal Balance of all Floating Rate Collateral Debt Obligations as of such Measurement Date, in each case, excluding Defaulted Obligations and Deferring Securities,

in each case adjusted for any withholding tax deducted in respect of the relevant obligation which is neither grossed up nor recoverable under any applicable double tax treaty or otherwise. The Weighted Average Spread shall be expressed as a percentage and shall be rounded up to the nearest 0.01 per cent.

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

(a) in the case of each Floating Rate Collateral Debt Obligation (including only the required non-deferrable, current cash pay interest required by the Underlying Instruments thereon and excluding Non-Euro Obligations, Defaulted Obligations, Deferring Securities, Partial PIK Obligations (in respect of any non-cash paying interest) and the unfunded portion of any Delayed Drawdown Collateral Debt Obligation and Revolving Debt Obligation) that bears interest at a spread over EURIBOR, (i) the stated interest rate spread (or in the case of any Yield Adjusted Collateral Debt Obligation, the Adjusted Spread) on such Collateral Debt Obligation above EURIBOR multiplied by (ii) the Principal Balance of such Collateral Debt Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Debt Obligation or Revolving Obligation); *provided that* for purposes of this definition, the interest rate spread will be deemed to be, with respect to any Floating Rate Collateral Debt Obligation that has a EURIBOR floor (excluding with respect to this proviso, any Yield Adjusted Collateral Debt Obligation), (i) the stated interest rate spread *plus*, (ii) if positive, (x) the EURIBOR floor value *minus* (y) the greater of (A) zero and (B) EURIBOR as in effect for the current accrual period (for the purposes of this paragraph (a) only, each reference to "**EURIBOR**" so far as it relates to a Collateral Debt Obligation shall mean EURIBOR as determined pursuant to the Underlying Instrument in respect of such Collateral Debt Obligation);

(b) in the case of each Floating Rate Collateral Debt Obligation (including only the required non-deferrable, current cash pay interest required by the Underlying Instruments thereon and excluding Non-Euro Obligations, Defaulted Obligations, Deferring Securities, Partial PIK Obligations (in respect of any non-cash paying interest) and the unfunded portion of any Delayed Drawdown Collateral Debt Obligation and Revolving Obligation) that bears interest at a spread over an index other than EURIBOR, (i) the excess of the sum of such spread (or in the case of any Yield Adjusted Collateral Debt Obligation, the Adjusted Spread) and such index over the EURIBOR rate that has an equivalent frequency and setting date to the corresponding interest rate in respect of such Floating Rate Collateral Debt Obligation as of the immediately preceding interest determination date pursuant to the relevant Underlying Instrument (which spread or excess may be expressed as a negative percentage) multiplied by (ii) the Principal Balance of each such Collateral Debt Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Debt Obligation or Revolving Obligation);

(c) in the case of each Floating Rate Collateral Debt Obligation which is a Non-Euro Obligation (including, only the required non-deferrable, current cash pay interest required by the Underlying Instruments thereon and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Debt Obligation and Revolving Obligation) and subject to an Asset Swap Transaction (i) the stated interest rate spread (or in the case of any Yield Adjusted Collateral Debt Obligation, the Adjusted Spread) over EURIBOR (in respect of the applicable Hedge Agreement) payable by the applicable Hedge Counterparty to the Issuer under the related Asset Swap Transaction multiplied by (ii) the Principal Balance of such Non-Euro Obligation; and

(d) in the case of each Floating Rate Collateral Debt Obligation which is a Non-Euro Obligation (including, only the required non-deferrable, current cash pay interest required by the Underlying Instruments thereon and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Debt Obligation and Revolving Obligation) and which is not subject to an Asset Swap Transaction, the Euro equivalent of 50 per cent. of (1) the interest amount payable by the relevant obligor (or in the case of any Yield Adjusted Collateral Debt Obligation, the interest amount payable determined by reference to the Adjusted Spread), less (2) the product of (x) EURIBOR multiplied by (y) its outstanding principal amount (excluding any interest capitalised pursuant to the terms of such instrument other than, with respect to a Mezzanine Obligation and a PIK Obligation, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Obligation).

"**Adjusted Spread**" means, as of the date of determination and with respect to any Yield Adjusted Collateral Debt Obligation that is a Floating Rate Collateral Debt Obligation, the quotient determined by dividing the spread (including, for any Floating Rate Collateral Debt Obligation that has an EURIBOR floor, the excess, if any, of the specified "floor" rate relating to such Collateral Debt Obligation over the greater of (i) zero and (ii) EURIBOR calculated for the Floating Rate Notes for the immediately preceding Measurement Date) over EURIBOR on such Collateral Debt Obligation by the Issuer's acquisition price for such Collateral Debt Obligation (expressed as a percentage of par and excluding purchased accrued interest).

The "**Aggregate Unfunded Spread**" is, as of any Measurement Date, the sum of the products obtained by multiplying (i) for each Delayed Drawdown Collateral Debt Obligation and Revolving Obligation (other than Defaulted Obligations, Deferring Securities and Partial PIK Obligations (in respect of any non-cash paying interest)), the related commitment fee then in effect as of such date and (ii) the undrawn commitments of each such Delayed Drawdown Collateral Debt Obligation and Revolving Obligation as of such date.

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

(a) EURIBOR applicable to the Rated Notes during the Accrual Period in which such Measurement Date occurs; by

(b) the amount (not less than zero) equal to (i) the Aggregate Principal Balance of the Collateral Debt Obligations (excluding (x) for any Deferring Security or Partial PIK Obligations (in respect of any non-cash paying interest) any interest that has been deferred and capitalised thereon and (y) the Principal Balance of any Defaulted Obligation and (z) the principal balance of any Fixed Rate Collateral Debt Obligation) as of such Measurement Date *minus* (ii) the Target Par Amount *minus* (iii) the aggregate amount of Principal Proceeds received from the issuance of additional notes pursuant to the Trust Deed.

The "**Excess Weighted Average Coupon**" means a percentage equal as of any Measurement Date to a number obtained by multiplying (a) the excess, if any, of the Weighted Average Coupon over the Minimum Weighted Average Coupon by (b) the number obtained by dividing the Aggregate Principal Balance of all Fixed Rate Collateral Debt Obligations by the Aggregate Principal Balance of all Floating Rate Collateral Debt Obligations.

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 the Minimum Weighted Average Coupon.

The "**Minimum Weighted Average Coupon**" means (i) if any of the Collateral Debt Obligations are Fixed Rate Collateral Debt Obligations, 5 per cent. and (ii) otherwise zero per cent.

The "**Weighted Average Coupon**", as of any Measurement Date, is the number obtained by dividing:

(a) the amount equal to the Aggregate Coupon; by

(b) the lesser of (i) the product of (A) the Reinvestment Target Par Amount and (B) a fraction, the numerator of which is equal to the Aggregate Principal Balance of all Fixed Rate Collateral Debt Obligations and the denominator of which is equal to the Aggregate Principal Balance of all Collateral Debt Obligations as of such Measurement Date, and (ii) the Aggregate Principal Balance of all Fixed Rate Collateral Debt Obligations as of such Measurement Date, in each case, excluding Defaulted Obligations and Deferring Securities.

in each case adjusted for any withholding tax deducted in respect of the relevant obligation which is neither grossed up nor recoverable under any applicable double tax treaty or otherwise. The Weighted Average Coupon shall be expressed as a percentage and shall be rounded up to the nearest 0.01 per cent.

The "**Aggregate Coupon**" is, as of any Measurement Date, the sum of (i) with respect to any Fixed Rate Collateral Debt Obligation which is a Non-Euro Obligation and subject to an Asset Swap Transaction and excluding Defaulted Obligations, Deferring Securities, Partial PIK Obligations (in respect of any non-cash paying interest) and the unfunded portion of any Delayed Drawdown Collateral Debt Obligations and Revolving Obligations, the product of (x) stated coupon (or in the case of any Yield Adjusted Collateral Debt Obligation, the Adjusted Coupon) on such Non-Euro Obligation expressed as a percentage and (y) the Principal Balance of such Non-Euro Obligation, (ii) with respect to any Fixed Rate Collateral Debt Obligation which is a Non-Euro Obligation and not subject to an Asset Swap Transaction and excluding Defaulted Obligations, Deferring Securities, Partial PIK Obligations (in respect of any non-cash paying interest) and the unfunded portion of any Delayed Drawdown Collateral Debt Obligations and Revolving Obligations, an amount equal to the Euro equivalent of 50 per cent. of the product of (1) the coupon (or in the case of any Yield Adjusted

Collateral Debt Obligation, the Adjusted Coupon) payable by the relevant obligor and (2) its outstanding principal amount (excluding any interest capitalised pursuant to the terms of such instrument other than, with respect to a Mezzanine Obligation and a PIK Obligation, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Obligation), and (iii) with respect to all other Fixed Rate Collateral Debt Obligations and excluding Defaulted Obligations, Partial PIK Obligations (in respect of any non-cash paying interest), Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Debt Obligations and Revolving Obligations, the sum of the products obtained by multiplying, in the case of each Fixed Rate Collateral Debt Obligation (including, for any Collateral Debt Obligation, only the required, non-deferrable current cash pay interest required by the Underlying Instruments thereon), (x) the stated coupon (or in the case of any Yield Adjusted Collateral Debt Obligation, the Adjusted Coupon) on such Collateral Debt Obligation expressed as a percentage and (y) the Principal Balance of such Collateral Debt Obligation.

"**Adjusted Coupon**" means, as of any date of determination and with respect to any Yield Adjusted Collateral Debt Obligation that is a Fixed Rate Collateral Debt Obligation, the quotient determined by dividing the stated interest coupon on such Collateral Debt Obligation by the Issuer's acquisition price for such Collateral Debt Obligation (expressed as a percentage of par and excluding purchased accrued interest).

"**Excess Weighted Average Floating Spread**" means a percentage equal as of any Measurement Date to a number obtained by multiplying (a) the excess, if any, of the Weighted Average Floating Spread over the Minimum Weighted Average Floating Spread by (b) the number obtained by dividing the Aggregate Principal Balance of all Floating Rate Collateral Debt Obligations by the Aggregate Principal Balance of all Fixed Rate Collateral Debt Obligations.

Weighted Average Life Test

The "**Weighted Average Life Test**" will be satisfied on any Measurement Date if the Weighted Average Life as of such date is less than or equal to (A) eight minus (B) the number of quarters (each quarter being a period of three months) that have elapsed since the Issue Date to such Measurement Date divided by four.

"**Weighted Average Life**" is, as of any Measurement Date with respect to all Collateral Debt Obligations other than Defaulted Obligations and Deferring Securities, the number of years (rounded to the nearest one hundredth thereof) following such date obtained by summing the products obtained by multiplying:

(a) the Average Life at such time of each such Collateral Debt Obligation by the Principal Balance of such Collateral Debt Obligation,

and dividing such sum by:

(b) the Aggregate Principal Balance at such time of all Collateral Debt Obligations (other than Defaulted Obligations).

"**Average Life**" is, on any Measurement Date with respect to any Collateral Debt Obligation, the quotient obtained by dividing (i) the sum of the products of (a) the number of years (rounded to the nearest one hundredth thereof) from such Measurement Date to the respective dates of each successive scheduled distribution of principal of such Collateral Debt 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 Debt Obligation.

Rating Definitions

1. Moody's Ratings Definitions

"**Assigned Moody's Rating**" means the monitored publicly available rating or the unpublished monitored loan rating or the credit estimate expressly assigned to a debt obligation (or facility) by Moody's which addresses the full amount of principal and interest to be paid (or repaid) thereunder, provided that, in respect of a credit estimate, if such credit estimate is valid, current and has been in existence (and not otherwise refreshed) for more than 13 months but less than 15 months from receipt thereof by the Issuer or Collateral Manager, as the case may be, then the Assigned Moody's Rating is one subcategory lower than the credit estimate, and provided further that, if such credit estimate is valid, current and has been in existence (and not otherwise refreshed) for more than 15 months from receipt thereof by the Issuer or Collateral Manager, as the case may be, then such Collateral Debt Obligation shall be deemed to have an Assigned Moody's Rating of "Caa3".

"**CFR**" means, with respect to an obligor of a Collateral Debt Obligation, if such obligor has a corporate family rating by Moody's, then such corporate family rating; provided, if such obligor does not have a corporate family rating by Moody's but any entity in the obligor's corporate family does have a corporate family rating, then the CFR is such corporate family rating.

"**Moody's Default Probability Rating**" means, with respect to any Collateral Debt Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) if the Obligor of such Collateral Debt Obligation has a CFR by Moody's, then such CFR;

(b) if not determined pursuant to clause (a) above, if the Obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on such obligation as selected by the Collateral Manager in its sole discretion;

(c) if not determined pursuant to clause (a) or (b) above, if the Obligor of such Collateral Debt Obligation has one or more senior secured obligations with an Assigned Moody's Rating, then the Moody's Rating that is one subcategory lower than the Assigned Moody's Rating on any such senior secured obligation as selected by the Collateral Manager in its sole discretion;

(d) if not determined pursuant to clause (a), (b) or (c) above, if a credit estimate has been assigned to such Collateral Debt Obligation by Moody's upon the request of the Issuer, the Collateral Manager, then the Moody's Default Probability Rating is such credit estimate *provided that*, if such credit estimate is valid, current and has been in existence (and not otherwise refreshed) for more than 13 months but less than 15 months from receipt thereof by the Issuer or Collateral Manager, as the case may be, then the Moody's Default Probability Rating is one subcategory lower than the credit estimate, and *provided further that*, if such credit estimate is valid, current and has been in existence (and not otherwise refreshed) for more than 15 months from receipt thereof by the Issuer or Collateral Manager, as the case may be, then such Collateral Debt Obligation shall be deemed to have a Moody's Default Probability Rating of "Caa3";

(e) f not determined pursuant to clauses (a), (b), (c) or (d) above, the Moody's Derived Rating; and

(f) if not determined pursuant to clauses (a), (b), (c), (d) or (e) above, the Collateral Debt Obligation will be deemed to have a Moody's Default Probability Rating of "Caa3".

"**Moody's Derived Rating**" means, with respect to a Collateral Debt Obligation whose Moody's Rating or Moody's Default Probability Rating cannot be determined pursuant to clause (a), (b), (c) or (d) of the definition of Moody's Default Probability Rating or clauses (a)(i) to (a)(iii) or (b)(i) to (b)(iv) (as applicable) of the definition of Moody's Rating, for the purposes of clause (e) of the

definition of Moody's Default Probability Rating or clause (a)(iv) or clause (b)(v) of the definition of Moody's Rating (as applicable), the rating determined in accordance with the following methodology:

(a) with respect to any Corporate Rescue Loan, one subcategory below the facility rating (whether public or private) of such Corporate Rescue Loan rated by Moody's;

(b) if not determined pursuant to clause (a) above, if the Obligor of such Collateral Debt Obligation has a long-term issuer rating by Moody's, then such long-term issuer rating;

(c) if not determined pursuant to clause (a) or (b) above, if another obligation of the Obligor is rated by Moody's, then by adjusting the rating of the related Moody's rated obligations of the related Obligor by the number of rating sub-categories according to the table below:

Obligation Category of Rated Obligation	Rating of Rated Obligation	Number of Subcategories Relative to Rated Obligation Rating
Senior secured obligation	greater than or equal to B2	-1
Senior secured obligation	less than B2	-2
Subordinated obligation	greater than or equal to B3	+1
Subordinated obligation	less than B3	0

(d) if not determined pursuant to clause (a), (b) or (c) above, if the Obligor of such Collateral Debt Obligation has a corporate family rating by Moody's, then one subcategory below such corporate family rating;

(e) if not determined pursuant to clause (a), (b), (c) or (d) above, then:

(i) by using the table below:

Type of Collateral Debt Obligation	S&P Rating (Public and Monitored)	Number of Subcategories Relative to Rated Obligation Rating	Number of Subcategories Relative to Moody's Equivalent of S&P Rating
Not Structured Finance Obligation	≥BBB-	Not a Loan or Participation in Loan	-1
Not Structured Finance Obligation	≤BB+	Not a Loan or Participation in Loan	-2
Not Structured Finance Obligation	≤BB+	Loan or Participation in Loan	-2
Not Structured Finance Obligation	≥BBB-	Loan or Participation in Loan	-1

(ii) if such Collateral Debt Obligation is a Corporate Rescue Loan, no Moody's Derived Rating may be determined based on a rating by S&P or any other rating agency; or

(f) if such Collateral Debt Obligation is not rated by Moody's or S&P and no other security or obligation of the issuer of such Collateral Debt 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 Debt Obligation to assign a rating or rating estimate with respect to such Collateral Debt Obligation but such rating or rating estimate has not been received, pending receipt of such estimate, the Moody's Derived Rating for purposes of clause (d) of the definition of Moody's Rating and Moody's Default Probability Rating (as applicable) of such Collateral Debt Obligation shall be (x) "B3" if the Collateral Manager certifies to the Trustee and the Collateral Administrator that the Collateral Manager believes that such estimate will be at least "B3" and if the aggregate principal balance of Collateral Debt Obligations determined pursuant to this clause (f) does not exceed 5 per cent. of the Aggregate Collateral Balance of all Collateral Debt Obligations or (y) otherwise, "Caa2".

"**Moody's Rating**" means:

(a) with respect to a Collateral Debt Obligation that is a Moody's Senior Secured Loan or Moody's Senior Secured Bond:

(i) if such Collateral Debt Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Debt Obligation has a CFR, then the Moody's rating that is one sub-category higher than such CFR;

(iii) if neither clause (i) nor (ii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Moody's rating that is two sub-categories higher than the Assigned Moody's Rating on any such obligation as selected by the 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 Debt Obligation will be deemed to have a Moody's Rating of "Caa3";

(b) with respect to a Collateral Debt Obligation other than a Moody's Senior Secured Loan or Moody's Senior Secured Bond:

(i) if such Collateral Debt Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on any such obligation as selected by the Collateral Manager in its sole discretion;

(iii) if neither clause (i) nor (ii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has a CFR, then the Moody's rating that is one sub-category lower than such CFR;

(iv) if none of clauses (i), (ii) or (iii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has one or more subordinated debt obligations with an Assigned Moody's Rating, then the Moody's rating that is one sub-category higher than the Assigned Moody's Rating on any such obligation as selected by the 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 Debt Obligation will be deemed to have a Moody's Rating of "Caa3".

"**Moody's Senior Secured Loan**" means:

(a) a loan that:

(i) is not (and cannot by its terms become) subordinate in right of payment to any other debt obligation of the obligor of the loan; other than borrowed money, trade claims, capitalised leases or other similar obligations, or no other obligation of the Obligor has any higher priority security interest in such assets or stock, *provided that* a revolving loan of the Obligor that, pursuant to its terms, may require one or more advances to be made to the borrower may have a higher priority security interest in

such assets or stock in the event of an enforcement in respect of such loan representing up to 15 per cent. of the Obligor's senior debt (or more if Rating Agency Confirmation from Moody's has been obtained);

(ii) (x) is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under the loan and (y) such specified collateral does not consist entirely of Equity Securities or common stock; *provided that* any loan that would be considered a Moody's 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 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); and

(b) the loan is not:

(i) a Corporate Rescue Loan; or

(ii) a loan for which the security interest or lien (or the validity or effectiveness thereof) in substantially all of its collateral attaches, becomes effective, or otherwise "springs" into existence after the origination thereof.

"**Moody's Senior Secured Bond**" means a Senior Secured Bond or Senior Secured Floating Rate Note that (x) has a Moody's facility rating and the obligor of such bond or note has a Moody's corporate family rating and (y) such Moody's facility rating is not lower than such Moody's corporate family rating.

"**Senior Secured Floating Rate Note**" means any obligation that (a) constitutes borrowed money, (b) is in the form of, or represented by, a bond, note (other than any note evidencing a loan or a participation interest), certificated debt security or other debt security, (c) is expressly stated to bear interest based upon a Euro interbank offered rate for Euro deposits in Europe or a relevant reference bank's published base rate or prime rate for Euro denominated obligations in the United States, Europe or the United Kingdom, (d) does not constitute, and is not secured by, Margin Stock, (e) if it is subordinated by its terms, is subordinated only to indebtedness for borrowed money, trade claims, capitalised leases or other similar obligations and (f) is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the Obligor's obligations under such obligation.

2. Fitch Ratings Definitions

The "**Fitch Rating**" of any Collateral Debt Obligation will be determined in accordance with the below methodology (with the sub-paragraph earliest in this definition applying in the case where more than one sub-paragraph would otherwise be applicable):

(a) with respect to any Collateral Debt Obligation in respect of which there is a Fitch issuer default rating, including credit opinions, whether public or privately provided to the Collateral Manager following notification by the Collateral Manager that the Issuer has entered into a

binding commitment to acquire such Collateral Debt Obligation (the "**Fitch Issuer Default Rating**"), the Fitch Rating shall be such Fitch Issuer Default Rating;

(b) if the Obligor thereof has an outstanding long-term financial strength rating from Fitch (the "**Fitch LTSR**"), then the Fitch Rating shall be one notch lower than such Fitch LTSR;

(c) if in respect of any other obligation of the Obligor or its Affiliates, there is a publicly available rating by Fitch, then the Fitch Rating shall be the Fitch IDR Equivalent determined by applying the Fitch Rating Mapping Table (as defined below) to such rating;

(d) if in respect of the Collateral Debt Obligation there is a Moody's CFR, a Moody's Long Term Issuer Rating, or an S&P Issuer Credit Rating, then the Fitch Rating shall be the rating that corresponds to the lowest thereof;

(e) if in respect of the Collateral Debt Obligation, there is an Insurance Financial Strength Rating, then the Fitch Rating shall be one notch lower than such Insurance Financial Strength Rating;

(f) if in respect of the Collateral Debt Obligation there is a Moody's/S&P Corporate Issue Rating, then the Fitch Rating shall be the Fitch IDR Equivalent determined by applying the Fitch Rating Mapping Table (as defined below) to such rating;

(g) if a Fitch Rating cannot otherwise be assigned, the Collateral Manager, on behalf of the Issuer, shall apply to Fitch for a credit opinion which shall then be the Fitch Rating or shall agree a rating with Fitch which shall then be the Fitch Rating, *provided that* pending receipt from Fitch of any credit opinion, the applicable Collateral Debt Obligation shall either be deemed to have a Fitch Rating of "B-", subject to the Collateral Manager believing (in its reasonable judgement) that such credit assessment will be at least "B-" or the rating specified as applicable thereto by Fitch pending receipt of such credit assessment; or

(h) if such Collateral Debt Obligation is a Corporate Rescue Loan:

(i) if such Corporate Rescue Loan has a publicly available rating from Fitch or has been assigned an issue-level credit assessment by Fitch, the Fitch Rating shall be such rating or credit assessment;

(ii) otherwise the Issuer or the Collateral Manager on behalf of the Issuer shall apply to Fitch for an issue- level credit assessment *provided that*, pending receipt from Fitch of any issue-level credit assessment, the applicable Corporate Rescue Loan shall either be deemed to have a Fitch Rating of "B-", subject to the Collateral Manager believing (in its reasonable judgement) that such credit assessment will be at least "B-" or the rating specified as applicable thereto by Fitch pending receipt of such credit assessment.

For the purposes of determining the Fitch Rating, the following definitions shall apply, *provided always that*:

(a) if a debt security or obligation of the Obligor has been in default during the past two years, the Fitch Rating of such Collateral Debt Obligation shall be treated as "D"; and

(b) with respect to any Current Pay Obligation that is rated "D" or "RD", the Fitch Rating of such Current Pay Obligation will be "CCC",

and provided further that:

(i) if the applicable Collateral Debt Obligation has been put on rating watch negative or negative credit watch for possible downgrade by:

(ii) Fitch, then the rating used to determine the Fitch Rating above shall be one rating subcategory below such rating by Fitch;

(iii) Moody's, then in the case only where the Fitch Rating is derived from a rating assigned by Moody's then the Fitch Rating shall be one rating subcategory below what would otherwise be the Fitch Rating determined pursuant to paragraphs (a) to (h) above; or

(iv) S&P, then in the case only where the Fitch Rating is derived from a rating assigned by S&P then the Fitch Rating shall be one rating subcategory below what would otherwise be the Fitch Rating determined pursuant to paragraphs (a) to (h) above; and

(c) notwithstanding the rating definition described above, Fitch reserves the right to use a credit opinion or a rating estimate for any Collateral Debt Obligations at any time.

"**Fitch IDR Equivalent**" means, in respect of any rating described in the Fitch Rating Mapping Table, the equivalent Fitch Issuer Default Rating determined by increasing (or reducing, in the case of a negative number) such rating (or the nearest Fitch equivalent thereof) by the number of notches specified under "**Mapping Rule**" in the fourth column of the Fitch Rating Mapping Table.

"**Fitch Rating Mapping Table**" means the following table:

Rating Type	Applicable Rating Agency(ies)	Issue rating	Mapping Rule
Corporate family rating or long term issuer rating	Moody's	N/A	+0
Issuer credit rating	S&P	N/A	+0
Senior unsecured	Fitch, Moody's or S&P	Any	+0
Senior secured or subordinated	Fitch or S&P	"BBB-" or above	+0
Senior secured or subordinated	Fitch or S&P	"BB+" or below	-1
Senior secured or subordinated	Moody's	"Ba1" or above	-1
Senior secured or subordinated	Moody's	"Ba2" or below	-2
Senior secured or subordinated	Moody's	"Ca"	-1
Subordinated (junior or senior)	Fitch, Moody's or S&P	"B+" / "B1" or above	+1
Subordinated (junior or senior)	Fitch, Moody's or S&P	"B" / "B2" or below	+2

"**Insurance Financial Strength Rating**" means, in respect of a Collateral Debt Obligation, the lower of any applicable public insurance financial strength rating by S&P or Moody's in respect thereof.

"**Moody's CFR**" means, in respect of a Collateral Debt Obligation, a publicly available corporate family rating by Moody's in respect of the Obligor thereof.

"**Moody's Long Term Issuer Rating**" means, in respect of a Collateral Debt Obligation, a publicly available long term issuer rating by Moody's in respect of the Obligor thereof.

"**Moody's/S&P Corporate Issue Rating**" means, in respect of a Collateral Debt Obligation, the lower of the Fitch IDR Equivalent ratings, determined in accordance with the Fitch Rating Mapping Table, corresponding to any outstanding publicly available issue rating by Moody's and/or S&P in respect of any other obligation of the Obligor or any of its Affiliates.

"**S&P Issuer Credit Rating**" means in respect of a Collateral Debt Obligation, a publicly available issuer credit rating by S&P in respect of the Obligor thereof.

"**S&P Rating**" means, with respect to any Collateral Debt Obligation, as of any date of determination, the rating assigned to such Collateral Debt Obligation by S&P.

The Coverage Tests

The Coverage Tests will consist of the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test, the Class E Par Value Test, the Class A/B Interest Coverage Test, the Class C Interest Coverage Test, the Class D Interest Coverage Test and the Class E Interest Coverage Test.

The Coverage Tests will be used primarily to determine whether interest may be paid on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes, whether Principal Proceeds may be reinvested in Substitute Collateral Debt Obligations, or whether Interest Proceeds and, to the extent needed, Principal Proceeds must instead be used to pay principal on a given class of Notes. Interest Proceeds and to the extent necessary Principal Proceeds must, in the event of failure to satisfy the Class A/B Coverage Tests, be used to pay principal on the Class A Notes and, after redemption in full thereof, to pay principal on the Class B Notes, to the extent necessary to cause the Class A/B Coverage Tests to be satisfied if recalculated immediately following such redemption; or, in the event of failure to satisfy the Class C Coverage Tests, to pay principal on the Class A Notes and, after redemption in full thereof, principal on the Class B Notes and, after redemption in full thereof, principal on the Class C Notes to the extent necessary to cause the Class C Coverage Tests to be satisfied if recalculated immediately following such redemption; or, in the event of failure to satisfy the Class D Coverage Tests, to pay principal on the Class A Notes and, after redemption in full thereof, principal on the Class B Notes and, after redemption in full thereof, principal on the Class C Notes, and, after redemption in full thereof, principal on the Class D Notes to the extent necessary to cause the Class D Coverage Tests to be satisfied if recalculated immediately following such redemption; or, in the event of failure of the Class E Coverage Tests, to pay principal on the Class A Notes and, after redemption in full thereof, principal on the Class B Notes and, after redemption in full thereof, principal on the Class C Notes and, after redemption in full thereof, principal on the Class D Notes and, after redemption in full thereof, principal on the Class E Notes to the extent necessary to cause the Class E Coverage Tests to be satisfied if recalculated immediately following such redemption.

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

Coverage Test and Ratio	Percentage at Which Test is Satisfied
Class A/B Par Value	129.9%
Class A/B Interest Coverage	120.0%
Class C Par Value	121.8%
Class C Interest Coverage	110.0%
Class D Par Value	115.3%
Class D Interest Coverage	105.0%
Class E Par Value	107.4%
Class E Interest Coverage	101.0%

DESCRIPTION OF THE COLLATERAL MANAGEMENT AGREEMENT

The following is a summary of the principal terms of the Collateral Management Agreement to be entered into by the Issuer on or about the Issue Date. The following is a summary only and should not be relied upon as an exhaustive description of the detailed provisions of such document (copies of which are available from the registered office of the Issuer).

General

The Collateral Manager will perform certain investment management functions, including directing the purchase and sale of Collateral Debt Obligations and performing certain administrative functions on behalf of the Issuer in accordance with the applicable provisions of the Collateral Management Agreement. The Collateral Manager agrees, and will be authorised, *inter alia*, to (i) select the Collateral Debt Obligations to be acquired by the Issuer, (ii) monitor the portfolio of Collateral Debt Obligations on an ongoing basis and advise the Issuer as to which Collateral Debt Obligations to sell and which Collateral Debt Obligations to acquire and (iii) assist the Issuer in the preparation of reports, orders and other documents, in each case to the extent required pursuant to the Collateral Management Agreement.

The Collateral Management Agreement also permits the Collateral Manager, in its discretion, to engage on behalf of the Issuer in (a) cross transactions between the Issuer and another client of the Collateral Manager provided it has reasonable grounds to believe that any such cross transaction is justified from the perspective of the Issuer and is consistent with the Issuer's investment policies and (b) agency cross transactions effected through a broker-dealer affiliated with the Collateral Manager, in each case upon the terms and subject to the conditions set out in the Collateral Management Agreement.

The Collateral Management Agreement also permits the Collateral Manager to engage on behalf of the Issuer in a transaction where the Collateral Manager or one of its Affiliates is acting as principal on that transaction (a "**principal transaction**"), subject to procedures developed by the Collateral Manager to address conflicts of interest. The Collateral Manager's current procedures regarding principal transactions require that prior to effecting any principal transaction(s), it notify the board of directors of the Issuer of such principal transaction(s). Those procedures require that the Collateral Manager disclose to the board of directors of the Issuer (i) the capacity in which it is acting; (ii) that the transaction is a purchase or sale for no consideration other than cash payment against prompt delivery of the Collateral Debt Obligation for which market quotations are readily available; (iii) that the transaction is effected at the independent current market price determined as follows: (x) if the transaction is an interest in a bank loan traded in a dealer market, at the next price reported at the close of such market by an independent pricing service so long as the reliability of the prices provided by the pricing service have been found to be indicative of market value; and (y) for all other transactions, the average of at least two current independent bids determined on the basis of reasonable inquiry; (iv) that the transaction is consistent with the investment policies of the Issuer; and (v) that no brokerage commission or fee (except for customary transfer fees or other remuneration) will be paid in connection with the transaction.

Neither the Collateral Manager nor any Collateral Manager Related Person will be liable to the Issuer, the Trustee, the Noteholders or any other Person for any loss incurred as a result of the actions taken by or recommended by the Collateral Manager under the Collateral Management Agreement, except by reason of acts or omissions constituting bad faith, wilful misconduct or gross negligence (as such concept is interpreted by the New York courts) in the performance of its obligations thereunder. Subject to the above mentioned standard of conduct, the Collateral Manager, its shareholders, directors, officers, partners, members, managers, attorneys, advisors, agents, employees and each Collateral Manager Related Person will be entitled to indemnification by the Issuer for any losses or liabilities, including legal or other expenses, relating to the issuance of the Notes, the transactions contemplated thereby or by any Transaction Document or the performance of the Collateral

Manager's obligations under the Collateral Management Agreement, which will be payable in accordance with the Priority of Payments.

The Collateral Manager will also be entitled to indemnification by the Issuer against *inter alia* any liability of the Issuer to UK income tax, corporation tax or diverted profits tax which is imposed upon the Collateral Manager as the Issuer's UK tax representative (or, if within 30 days of the date on which all the then outstanding Notes are due to redeem HM Revenue & Customs has indicated that the Issuer is likely to be subject to diverted profits tax for which the Collateral Manager has been advised that it would be liable were it not paid by the Issuer, against the amount of diverted profits tax which HM Revenue & Customs has claimed or otherwise that the Collateral Manager has been advised would fall due), and for any costs or expenses reasonably incurred by the Collateral Manager in connection therewith.

Resignation of the Collateral Manager

The Collateral Manager may resign, upon not less than 90 days' (or such shorter notice as is acceptable to the Issuer) prior written notice to the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and each Rating Agency. Except in the circumstances where it has become illegal for the Collateral Manager to carry on its duties under the Collateral Management Agreement, such resignation will not be effective until the date as of which a successor Collateral Manager has been appointed as described below.

Removal of the Collateral Manager

The Collateral Manager may, following the occurrence of a Collateral Manager Event of Default pursuant to paragraph (i) to (vi) of the definition thereof, be removed by the Issuer upon 10 Business Days' prior written notice to the Collateral Manager, the Noteholders in accordance with Condition 16 (*Notices*), the Trustee, the Hedge Counterparties, and each Rating Agency at its own discretion or at the direction of (i) the Controlling Class (acting by Extraordinary Resolution) or (ii) holders of the Subordinated Notes acting by Extraordinary Resolution (in each case, excluding (x) the holders of any CM Non-Voting Exchangeable Notes and CM Non-Voting Notes and (y) those Notes held by the Collateral Manager or any of its Affiliates). Such removal and/or termination will not be effective until the date as of which a successor Collateral Manager has been appointed as described below.

Pursuant to the terms of the Collateral Management Agreement, if the Collateral Manager becomes aware that a Collateral Manager Event of Default pursuant to paragraph (i) to (vi) of the definition thereof has occurred, the Collateral Manager will be required to give prompt written notice thereof to the Issuer, the Trustee, the Collateral Administrator, the Noteholders in accordance with Condition 16 (*Notices*), the Hedge Counterparties and each Rating Agency upon the Collateral Manager becoming aware of the occurrence of such Collateral Manager Event of Default.

Termination of the Collateral Management Agreement

The Collateral Management Agreement will automatically terminate upon the earliest to occur of (i) the payment in full of the Notes, in accordance with their terms and (ii) the liquidation of the Portfolio and the final distribution of the proceeds of such liquidation as provided in the Transaction Documents.

Appointment of Successor

Upon any removal or resignation of the Collateral Manager (except in the circumstances where it has become illegal for the Collateral Manager to carry on its duties under the Collateral Management Agreement), the Collateral Manager will continue to act in such capacity until the appointment by the Issuer, at the direction of the holders of the Subordinated Notes, acting by Ordinary Resolution (excluding any Subordinated Notes held by the Collateral Manager or its Affiliates), of a successor manager meeting the Successor Manager Criteria in accordance with the terms of the Collateral

Management Agreement, provided that the Controlling Class, acting by Extraordinary Resolution (excluding the holders of any CM Non-Voting Exchangeable Notes, CM Non-Voting Notes and any Notes held by the Collateral Manager or its Affiliates), does not object in writing to such successor within 45 days after receipt of notice of such nomination. If within three months following a notice of resignation or removal, no successor collateral manager has been appointed and accepted such appointment, then the holders of the Controlling Class, acting by Extraordinary Resolution (excluding the holders of any CM Non-Voting Exchangeable Notes and CM Non-Voting Notes and any Notes held by the Collateral Manager or its Affiliates), may appoint a successor collateral manager and the Issuer shall appoint such successor provided it is acceptable to the holders of the Subordinated Notes acting by Ordinary Resolution (excluding any Notes held by the Collateral Manager or its Affiliates).

If within four months following a notice of resignation or removal, no successor collateral manager has been appointed and accepted such appointment, then the holders of the Subordinated Notes, acting by Ordinary Resolution (excluding any Subordinated Notes held by the Collateral Manager or its Affiliates), may appoint a successor collateral manager and the Issuer shall appoint such successor provided it is acceptable to the holders of the Controlling Class, acting by Extraordinary Resolution (excluding the holders of any CM Non-Voting Exchangeable Notes, CM Non-Voting Notes and any Notes held by the Collateral Manager or its Affiliates).

If within five months following a notice of resignation or removal no successor collateral manager has been appointed and accepted such appointment, the Collateral Manager may make such appointment, which appointment shall be final. For the avoidance of doubt, no Notes held in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes or held by or on behalf of the Collateral Manager or its Affiliates shall have any voting rights with respect to and shall not be counted for the purposes of determining a quorum and the results of voting on any CM Replacement Resolution or CM Removal Resolution.

The appointment of any successor Collateral Manager shall be subject to each Rating Agency confirming that such entity is acceptable to it, in accordance with the terms of the Collateral Management agreement.

Any successor Collateral Manager is required to be an established entity that satisfies the following criteria (collectively, the "**Successor Manager Criteria**"):

(a) has the ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager under the Collateral Management Agreement;

(b) is legally qualified and has the capacity (including the regulatory capacity to render collateral management services to Irish counterparties as a matter of the laws of Ireland) to act as collateral manager under the Collateral Management Agreement, as successor to the Collateral Manager under the Collateral Management Agreement in the assumption of all of the responsibilities, duties and obligations of the Collateral Manager under the Collateral Management Agreement;

(c) by its appointment and performance of its duties does not cause the Issuer to become chargeable to taxation in any jurisdiction other than Ireland; and

(d) shall not cause the Issuer or the Collateral to become required to be registered under the provisions of the Investment Company Act.

Assignment

The Collateral Manager may assign or transfer its rights and/or obligations under the Collateral Management Agreement subject to, and in accordance with, the Collateral Management Agreement. As specified therein, the Collateral Manager may, without the prior consent of the Noteholders or any other Secured Party (but subject to its obligations as a Retention Holder and save where the entry into any such agreement would result in the transaction described herein ceasing to comply with the EU

Retention Requirements), enter into a novation, amendment and restatement agreement (the "**Collateral Management Restatement Agreement**") substantially in the form of the Collateral Management Agreement with, *inter alios*, any wholly owned subsidiary of Oak Hill Advisors, L.P. that is appropriately regulated and meets the Successor Manager Criteria (the "**Replacement Collateral Manager**"), whereupon the Collateral Manager will be released from all of its rights and obligations under the Collateral Management Agreement and the Replacement Collateral Manager will be appointed as Collateral Manager and will, save to the extent amended by the Collateral Management Restatement Agreement, assume all of the rights and obligations of the Collateral Manager under the Collateral Management Agreement. The Collateral Manager will provide notice to the Trustee (for forwarding to Noteholders and each Rating Agency) of any assignment or transfer of the Collateral Manager's rights and/or obligations under the Collateral Management Agreement.

Fees and expenses

As compensation for the performance of its obligations as Collateral Manager, the Collateral Manager will be entitled to receive a fee, which will be payable to the Collateral Manager in arrear on each Payment Date, in an amount equal to the sum of (a) 0.20 per cent. per annum (calculated quarterly at all times except following the occurrence of a Frequency Switch Event, in which case it shall be calculated semi-annually in respect of each semi-annual Due Period and, in each case, on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Fee Basis Amount for such Payment Date (exclusive of any VAT) (the "**Senior Collateral Management Fee**"), (b) 0.30 per cent. per annum (calculated quarterly at all times except following the occurrence of a Frequency Switch Event, in which case it shall be calculated semi-annually in respect of each semi-annual Due Period and, in each case, on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Fee Basis Amount for such Payment Date (exclusive of any VAT) (the "**Subordinated Collateral Management Fee**") and (c) after the Subordinated Notes have realised the Incentive Collateral Management Fee IRR Threshold, an amount equal to, as applicable on such Payment Date, the sum of 20 per cent. of any remaining Interest Proceeds distributable pursuant to paragraph (BB) of the Interest Proceeds Priority of Payments, 20 per cent. of any remaining Principal Proceeds distributable pursuant to paragraph (S) of the Principal Proceeds Priority of Payments, 20 per cent. of any Collateral Enhancement Amounts distributable pursuant to paragraph (I) of Condition 3(k)(vi) (*Collateral Enhancement Account*), 20 per cent. of any Contribution distributable pursuant to paragraph (I) of Condition 3(k)(viii) (*Contributions Account*) and 20 per cent. of any remaining proceeds distributable pursuant to paragraph (Z) of the Post-Acceleration Priority of Payments (such payments described in this paragraph (c), being exclusive of any VAT thereon and collectively, the "**Incentive Collateral Management Fee**" and, together with the Senior Collateral Management Fee and the Subordinated Collateral Management Fee, the "**Collateral Management Fee**").

References to the Senior Collateral Management Fee, the Subordinated Collateral Management Fee and Incentive Collateral Management Fee are references to such payments exclusive of any VAT chargeable. If the Collateral Manager has to pay an amount of VAT to the relevant tax authority in respect of the underlying services for which the Collateral Management Fees are consideration, the Issuer shall, in addition, pay an amount equal to the amount of that VAT to the Collateral Manager.

On any Payment Date, the Collateral Manager may, in its sole discretion, elect to defer any Senior Collateral Management Fees or Subordinated Collateral Management Fees. Any amounts so deferred shall be applied in accordance with the Priorities of Payments.

Any due and unpaid Collateral Management Fees (including Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts) will accrue interest (in arrear) for the period commencing on the Payment Date on which such amount was due to (but excluding) the Payment Date on which it is repaid in accordance with the Priorities of Payments at the Floating Rate of Interest applicable to the most junior Class of Rated Notes then outstanding for each Accrual Period that such amount is unpaid. Such accrued and unpaid interest thereon will be payable on any subsequent Payment Date to the extent funds are available for such purpose in accordance with the Priorities of Payments.

The Collateral Manager may also, in its sole discretion, waive its right to receive the Senior Collateral Management Fee, the Subordinated Collateral Management Fee or the Incentive Collateral Management Fee or elect to designate the Senior Collateral Management Fee, the Subordinated Collateral Management Fee or the Incentive Collateral Management Fee for reinvestment to be used to purchase substitute Collateral Debt Obligations, or to purchase Rated Notes in accordance with the Conditions (or to be deposited in the Principal Account pending such reinvestment or purchase in accordance with the Conditions).

If on any Payment Date there are insufficient funds to pay any amount in respect of the Collateral Management Fee in full, the amount not so paid will be deferred and will be payable on such later Payment Date on which funds are available therefor in accordance with the Priorities of Payments.

On the Issue Date, the Collateral Manager will be reimbursed by the Issuer for certain of its expenses incurred in connection with the offering of the Notes and the negotiation and documentation of the Transaction Documents, including the Collateral Management Agreement (including legal fees and expenses and any irrecoverable VAT thereon). Except for expenses provided for in clause (iv) in the next sentence, the Collateral Manager shall pay (without reimbursement by the Issuer) its overhead expenses, which shall mean overhead costs and expenses, including rent, salaries, wages, bonuses and other employee benefits of the Collateral Manager, furnishings and office costs and expenses ("**Overhead**"). Subject to and in accordance with the terms and conditions of the Notes, the Issuer shall pay or reimburse the Collateral Manager for its payment of any and all costs and expenses incurred on behalf of the Issuer, including, without limitation: (i) any and all costs and expenses incurred in connection with the acquisition or disposition of an asset in the Portfolio (including (a) investment related travel, communications and related expenses and (b) amounts in connection with the termination, cancellation or abandonment of a potential acquisition or disposition of an asset in the Portfolio that is not consummated); (ii) any and all costs and expenses incurred in connection with the carrying or management of the Portfolio (including, without limitation, custodial, trustee, recordkeeping and other administrative fees and expenses and costs and expenses incurred in connection with any restructuring or workouts); (iii) any and all costs and expenses incurred in connection with the Notes and indebtedness of the Issuer (including any and all costs and expenses incurred in connection with any amendments, modifications or supplements to Transaction Documents); (iv) any and all costs and expenses (including fees and disbursements) of attorneys, auditors and accountants relating to Issuer matters (including costs and expenses of in-house professionals and related administrative personnel, inclusive of their allocated Overhead); (v) any and all costs and expenses with respect to consultants, rating agencies, bankers and other professionals retained by the Issuer or the Collateral Manager (on behalf of the Issuer); (vi) any and all taxes and governmental charges that may be incurred or payable by the Issuer; (vii) any and all insurance premiums or expenses incurred in connection with the activities of the Issuer by the Collateral Manager, including errors, omissions, fidelity, liability, directors' and officers' liability and similar coverage for any person acting on behalf of the Collateral Manager; (viii) any and all costs and expenses incurred in connection with the Collateral Manager's information systems relating to the Issuer and the Portfolio and communications with the holders of the Notes (including information service subscriptions and charges related to annual meetings); and (ix) any and all expenses incurred to comply with any law or regulation related to the activities of the Issuer and the Collateral Manager (including legal, regulatory or compliance fees and expenses of the Collateral Manager or its affiliates in connection with ongoing compliance, filing and reporting obligations under the Investment Advisers Act, the Dodd-Frank Act, FATCA, EMIR or any other applicable laws or regulations) or incurred in connection with any litigation or governmental inquiry, investigation or proceeding involving the Collateral Manager or its affiliates, including the amount of any judgments, settlements or fines paid in connection therewith, except, however, to the extent such expenses or amounts have been determined to be excluded from the indemnification provided for herein. Other than as stated above, the Issuer will bear, and will pay directly in accordance with the Conditions and the Transaction Documents, all other costs and expenses incurred by it in connection with the organisation, operation or liquidation of the Issuer.

No Voting Rights

Notes held in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes shall not have any voting rights in respect of, and shall not be counted for the purposes of determining a quorum and the result of voting on any CM Removal Resolutions or any CM Replacement Resolutions (but shall carry a right to vote and be so counted on all other matters in respect of which the Noteholders have a right to vote and be counted).

Any Class A Notes, Class B Notes, Class C Notes or Class D Notes held by or on behalf of the Collateral Manager or its Affiliates shall only be held in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes. Class E Notes, Class F Notes and Subordinated Notes held by or on behalf of the Collateral Manager or its Affiliates shall have no voting rights with respect to, and shall not be counted for the purposes of determining a quorum and the results of, voting on any CM Removal Resolution or CM Replacement Resolution. Accordingly, any Notes, including any Class of Rated Notes and Subordinated Notes, held by or on behalf of the Collateral Manager or its Affiliates shall have no voting rights with respect to, and shall not be counted for the purposes of determining a quorum and the results of, voting on any CM Removal Resolution or CM Replacement Resolution.

DESCRIPTION OF THE REPORTS

For the purposes of calculating compliance with any tests under this Prospectus (including the Effective Date Determination Requirements, the Coverage Tests, the Collateral Quality Tests and Portfolio Profile Tests), the trade date (and not the settlement date) with respect to any acquisition or disposition of a Collateral Debt Obligation or Eligible Investment shall be used by the Collateral Administrator to determine whether and when such acquisition or disposition has occurred; provided, however, that in connection with any acquisition or disposition of a Collateral Debt Obligation pursuant to a Trading Plan such calculation shall give a "pro forma" effect to such Trading Plan. Notwithstanding the foregoing, the Monthly Reports and Payment Date Reports prepared shall report Collateral Debt Obligations based on settled acquisitions and sales.

Monthly Reports

The Collateral Administrator, not later than the 21st calendar day of each month (or, if such day is not a Business Day on the next succeeding Business Day) (save in respect of any month for which a Payment Date Report or Effective Date Report has been prepared) commencing in the month following the issue of the Effective Date Report, on behalf, and at the expense, of the Issuer and in consultation with the Collateral Manager, shall compile and make available a monthly report (including portfolio data in a format compatible with Microsoft Excel) via a secured website currently located at https://gctinvestorreporting.bnymellon.com which shall be accessible to the Issuer, the Trustee, the Collateral Manager, the Placement Agent, each Hedge Counterparty, the Rating Agencies and to any holder of a beneficial interest in any Note by way of a unique password which, in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes (the "**Monthly Report**"), which shall contain, without limitation, the information set out below with respect to the Portfolio, determined by the Collateral Administrator as at the sixth calendar day of each month in consultation with the Collateral Manager. For the avoidance of doubt, the first report available to the Noteholders is expected to be the Effective Date Report which will be available not later than 30 calendar days after the Effective Date and will be made available via the secured website above to any holder of a beneficial interest in any Note, accessible by way of a unique password which may be obtained by such holder from the Collateral Administrator subject to receipt by the Collateral Administrator of certificate that such holder is a holder of a beneficial interest in any Note.

Portfolio

(a) the Aggregate Principal Balance of the Collateral Debt Obligations and Eligible Investments representing Principal Proceeds;

(b) the Aggregate Collateral Balance of the Collateral Debt Obligations;

(c) the Adjusted Aggregate Collateral Balance of the Collateral Debt Obligations;

(d) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Debt Obligation, its Principal Balance (in the case of Deferring Securities, both including and excluding capitalised or deferring interest), LoanX ID, CUSIP number, ISIN or identification thereof, annual interest rate or spread (and with any EURIBOR floor, if any), facility, Collateral Debt Obligation Stated Maturity, Obligor, the Domicile of the Obligor, currency, Moody's Recovery Rate, Moody's Rating, Fitch Rating, Fitch Recovery Rate and any other public rating to the extent such rating is used to derive either a Moody's Rating or a Fitch Rating (other than any confidential credit estimate), Moody's industry category and Fitch industry category;

(e) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Debt Obligation, whether such Collateral Debt Obligation is a Senior Secured Loan, Senior

Secured Bond Senior Unsecured Obligation, Second Lien Loan, Mezzanine Obligation, High Yield Bond, Fixed Rate Collateral Debt Obligation, Semi-Annual Obligation, Annual Obligation, Corporate Rescue Loan, PIK Obligation, Current Pay Obligation, Revolving Obligation, Delayed Drawdown Collateral Debt Obligation, Bridge Loan, Discount Obligation or a Deferring Security;

(f) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Enhancement Debt Obligation and Exchanged Security (to the extent applicable), its Principal Balance, face amount, annual interest rate, Collateral Debt Obligation Stated Maturity and Obligor, details of the type of instrument it represents and details of any amounts payable thereunder or other rights accruing pursuant thereto;

(g) subject to any confidentiality obligations binding on the Issuer, the number, identity and, if applicable, Principal Balance of, respectively, any Collateral Debt Obligations, Collateral Enhancement Debt Obligations or Exchanged Securities that were released for sale or other disposition (specifying the reason for such sale or other disposition and the section in the Collateral Management Agreement pursuant to which such sale or other disposition was made), the Aggregate Principal Balances of Collateral Debt Obligations released for sale or other disposition at the Collateral Manager's discretion (expressed as a percentage of the Adjusted Aggregate Collateral Balance and measured at the date of determination of the last Monthly Report) and the sale price thereof and identity of any of the purchasers thereof (if any) that are Affiliated with the Collateral Manager;

(h) subject to any confidentiality obligations binding on the Issuer, the purchase or sale price of each Collateral Debt Obligation, Eligible Investment and Collateral Enhancement Debt Obligation acquired by the Issuer and in which the Issuer has granted a security interest to the Trustee, and each Collateral Debt Obligation, Eligible Investment and Collateral Enhancement Debt Obligation sold by the Issuer since the date of determination of the last Monthly Report and the identity of the purchasers or sellers thereof, if any, that are Affiliated with the Issuer or the Collateral Manager;

(i) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Debt Obligation which became a Defaulted Obligation or Deferring Security or in respect of which an Exchanged Security has been received since the date of determination of the last Monthly Report and the identity and Principal Balance of each Moody's Caa Obligation, Fitch CCC Obligation and Current Pay Obligation;

(j) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Debt Obligation which became a Restructured Obligation and its Obligor, as well as, where applicable, the name of the Obligor prior to the restructuring and the Obligor's new name after the Restructuring Date;

(k) the Aggregate Principal Balance of Collateral Debt Obligations which were upgraded or downgraded since the most recent Monthly Report and of which the Collateral Administrator or the Collateral Manager has actual knowledge;

(l) the approximate Market Value of, respectively, the Collateral Debt Obligations and the Collateral Enhancement Debt Obligations as provided by the Collateral Manager;

(m) in respect of each Collateral Debt Obligation, its Moody's Rating and Fitch Rating (other than any confidential credit estimate) as at the date of the current Monthly Report;

(n) the Aggregate Principal Balance of Collateral Debt Obligations comprising Participations in respect of which the Selling Institutions are not the lenders of record;

(o) for so long as any Notes are rated by Fitch, the applicable point in the Fitch Test Matrix being applied for the purposes of the Collateral Quality Test; and

(p) subject to any confidentiality obligations binding on the Issuer or the Collateral Manager, the identity of any Collateral Debt Obligations purchased from or sold to an affiliate or fund vehicle or account managed or advised by the Collateral Manager, as notified to the Collateral Administrator by the Collateral Manager.

Accounts

(a) the Balances standing to the credit of each of the Accounts;

(b) the Fitch rating (if any) and Moody's Rating (if any) of any Eligible Investments;

(c) the name of the Account Bank.

Incentive Collateral Management Fee

(a) the accrued Incentive Collateral Management Fee.

Hedge Transactions

(a) the outstanding notional amount of each Hedge Transaction and the current rate of EURIBOR;

(b) the amount scheduled to be received and paid by the Issuer pursuant to each Hedge Transaction on or before the next Payment Date;

(c) the then current Fitch rating and, if applicable, Moody's Rating in respect of each Hedge Counterparty and whether such Hedge Counterparty satisfies the Rating Requirements;

(d) the name of the Hedge Counterparty; and

(e) the maturity date, the strike price and the underlying currency notional amount of each currency option, the upfront premium paid or payable by the Issuer thereunder and, in relation to each currency option exercised, the date of exercise, the spot foreign exchange rate at the time of exercise, the notional amount of the optional exercised, the aggregate notional amount of the option which remains unexercised and the aggregate premium received.

Coverage Tests and Collateral Quality Tests

(a) a statement as to whether each of the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test and the Class E Par Value Test is satisfied and details of the relevant Par Value Ratios;

(b) a statement as to whether each of the Class A/B Interest Coverage Test, the Class C Interest Coverage Test, the Class D Interest Coverage Test and the Class E Interest Coverage Test is satisfied and details of the relevant Interest Coverage Ratios;

(c) from and after the Effective Date, a statement as to whether the Interest Diversion Test is satisfied;

(d) the Weighted Average Life and a statement as to whether the Weighted Average Life Test is satisfied;

(e) the Weighted Average Floating Spread (shown as (x) including and excluding any EURIBOR floor and (y) including and excluding the Aggregate Excess Funded Spread), a statement as to whether the Minimum Weighted Average Spread Test is satisfied and the amount of the Aggregate Excess Funded Spread;

(f) the Minimum Weighted Average Coupon, the Weighted Average Coupon, the Excess Weighted Average Coupon, the Excess Weighted Average Floating Spread and a statement as to whether the Minimum Weighted Average Coupon Test is satisfied;

(g) so long as any Notes rated by Moody's are Outstanding, the Adjusted Weighted Average Moody's Rating Factor and a statement as to whether the Moody's Maximum Weighted Average Rating Factor Test is satisfied;

(h) so long as any Notes rated by Moody's are Outstanding, (i) the Weighted Average Moody's Recovery Rate and a statement as to whether the Moody's Minimum Weighted Average Recovery Rate Test is satisfied and (ii) subject to any confidentiality undertakings binding on the Issuer, with respect to each Collateral Debt Obligation, (A) the name of the Obligor; (B) the Moody's Default Probability Rating (if public); (C) the name of the Collateral Debt Obligation as documented in its Underlying Instrument (or, where it is not practicable to provide this information, such information shall, upon request from Moody's, be provided to Moody's in the event that Moody's is unable to map such name to its database); (D) the seniority of the Collateral Debt Obligation; (E) the Moody's Rating of the Collateral Debt Obligation (if public); and (F) the Moody's assigned recovery rate (if the relevant Collateral Debt Obligation has a Moody's Rating which is public);

(i) so long as any Notes rated by Moody's are Outstanding, the Diversity Score and a statement as to whether the Moody's Minimum Diversity Test is satisfied;

(j) so long as any Notes rated by Fitch are Outstanding, whether or not the Fitch Maximum Weighted Average Rating Factor Test is satisfied (together with the values of such Fitch Maximum Weighted Average Rating Factor Test);

(k) so long as any Notes rated by Fitch are Outstanding, whether or not the Fitch Minimum Weighted Average Recovery Rate Test is satisfied (together with the values of such Fitch Minimum Weighted Average Recovery Rate Test);

(l) a statement identifying any Collateral Debt Obligation in respect of which the Collateral Manager has made its own determination of "Market Value" (pursuant to the definition thereof) for the purposes of any of the Coverage Tests.

Portfolio Profile Tests

(a) in respect of each Portfolio Profile Test, a statement as to whether such test is satisfied;

(b) the identity and Fitch Rating and Moody's Rating of each Selling Institution, together with any changes in the identity of such entities since the date of determination of the last Monthly Report and details of the aggregate amount of Participations entered into with each such entity; and

(c) a statement as to whether the limits specified in the Bivariate Risk Table are met by reference to the Fitch Ratings and Moody's Ratings of Selling Institutions and, if such limits are not met, a statement as to the nature of the non-compliance.

Frequency Switch Event

A statement indicating whether a Frequency Switch Event has occurred during the relevant Due Period following receipt of confirmation thereof from the Collateral Manager.

Risk Retention

(a) a copy of the confirmation from the Retention Holder that:

(i) it continues to hold not less than 5 per cent. of the nominal value of each Class of Notes; and

(ii) it has not sold, hedged or otherwise mitigated its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except to the extent permitted in accordance with the EU Retention Requirements; and

(b) confirmation of any other information or agreements supplied by the Retention Holder as reasonably required to satisfy the EU Retention Requirements from time to time, subject to and in accordance with the Retention Letter.

CM Voting Notes / CM Non-Voting Exchangeable Notes / CM Non-Voting Notes

In respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes:

(a) the aggregate Principal Amount Outstanding of CM Voting Notes;

(b) the aggregate Principal Amount Outstanding of CM Non-Voting Exchangeable Notes; and

(c) the aggregate Principal Amount Outstanding of CM Non-Voting Notes.

Payment Date Report

The Collateral Administrator, on behalf, and at the expense, of the Issuer and in consultation with the Collateral Manager, shall render an accounting report (the "**Payment Date Report**"), prepared and determined as of each Determination Date preceding a Payment Date, and made available via a secured website currently located at https://gctinvestorreporting.bnymellon.com which shall be accessible to the Collateral Manager, the Issuer, the Trustee, the Placement Agent, the Registrar, each Hedge Counterparty, the Rating Agencies and any holder of a beneficial interest in any Note by way of a unique password (which, in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes) not later than the Business Day preceding the related Payment Date or Redemption Date, as applicable. Upon receipt of each Payment Date Report, the Collateral Administrator, in the name and at the expense of the Issuer, shall notify the Irish Stock Exchange of the Principal Amount Outstanding of each Class of Notes after giving effect to the principal payments, if any, on the next Payment Date. The Payment Date Report shall contain the following information:

Portfolio

(a) the Aggregate Principal Balance of the Collateral Debt Obligations as of the close of business on such Determination Date, after giving effect to (A) Principal Proceeds received on the Collateral Debt Obligations with respect to the related Due Period and the reinvestment of such Principal Proceeds in Substitute Collateral Debt Obligations during such Due Period and (B) the disposal of any Collateral Debt Obligations during such Due Period;

(b) subject to any confidentiality obligations binding on the Issuer, a list of, respectively, the Collateral Debt Obligations and Collateral Enhancement Debt Obligations indicating the Principal Balance and Obligor of each; and

(c) the information required pursuant to "*Monthly Reports - Portfolio*" above (which, for the avoidance of doubt, shall be prepared and determined as of each Determination Date preceding a Payment Date).

Notes

(a) the Principal Amount Outstanding of the Notes of each Class and such aggregate amount as a percentage of the original aggregate Principal Amount Outstanding of the Notes of such Class

at the beginning of the Accrual Period, the amount of principal payments to be made on the Notes of each Class on the related Payment Date, and the aggregate amount of the Notes of each Class Outstanding and such aggregate amount as a percentage of the original aggregate amount of the Notes of such Class Outstanding after giving effect to the principal payments, if any, on the next Payment Date;

(b) the interest payable in respect of each Class of Notes (as applicable), including the amount of any Deferred Interest payable on the related Payment Date (in the aggregate and by Class);

(c) the Interest Amount payable in respect of each Class of Notes on the next Payment Date; and

(d) EURIBOR for the related Due Period and the Floating Rate of Interest applicable to each Class of Floating Rate Notes during the related Due Period.

Payment Date Payments

(a) the amounts payable pursuant to the Interest Proceeds Priority of Payments, the Principal Proceeds Priority of Payments and the Post-Acceleration Priority of Payments;

(b) the Trustee Fees and Expenses, the amount of any Collateral Management Fees and Administrative Expenses payable on the related Payment Date, in each case, on an itemised basis; and

(c) any Asset Swap Termination Payments, any Interest Rate Hedge Termination Payments and any Defaulted Hedge Termination Payments.

Accounts

(a) the Balance standing to the credit of the Interest Account at the end of the related Due Period;

(b) the Balance standing to the credit of the Principal Account at the end of the related Due Period;

(c) the Balance standing to the credit of the Interest Account immediately after all payments and deposits to be made on the next Payment Date;

(d) the Balance standing to the credit of the Principal Account immediately after all payments and deposits to be made on the next Payment Date;

(e) the amounts payable from the Interest Account through a transfer to the Payment Account pursuant to the Priorities of Payments on such Payment Date;

(f) the amounts payable from the Principal Account through a transfer to the Payment Account pursuant to the Priorities of Payments on such Payment Date;

(g) the amounts payable from any other Accounts (through a transfer to the Payment Account) pursuant to the Priorities of Payments on such Payment Date, together with details of whether such amounts constitute Interest Proceeds or Principal Proceeds;

(h) the Balance standing to the credit of each of the other Accounts at the end of the related Due Period;

(i) the Principal Proceeds received during the related Due Period;

(j) the Interest Proceeds received during the related Due Period; and

(k) the Collateral Enhancement Debt Obligation Proceeds received during the related Due Period.

Coverage Tests, Collateral Quality Tests and Portfolio Profile Tests

(a) the information required pursuant to "*Monthly Reports - Coverage Tests and Collateral Quality Tests*" above and information on each item included under the definition of Interest Coverage Amount (which, for the avoidance of doubt, shall be prepared and determined as of each Determination Date preceding a Payment Date); and

(b) the information required pursuant to "*Monthly Reports - Portfolio Profile Tests*" above (which, for the avoidance of doubt, shall be prepared and determined as of each Determination Date preceding a Payment Date).

Hedge Transactions

(a) The information required pursuant to "*Monthly Reports - Hedge Transactions*" above (which, for the avoidance of doubt, shall be prepared and determined as of each Determination Date preceding a Payment Date).

Risk Retention

(a) The information required pursuant to "*Monthly Reports - Risk Retention*" above (which, for the avoidance of doubt, shall be prepared and determined as of each Determination Date preceding a Payment Date).

CM Voting Notes / CM Non-Voting Exchangeable Notes / CM Non-Voting Notes

The information required pursuant to "*Monthly Reports - CM Voting Notes / CM Non-Voting Exchangeable Notes / CM Non-Voting Notes*" above (which, for the avoidance of doubt, shall be prepared and determined as of each Determination Date preceding a Payment Date).

Frequency Switch Event

The information required pursuant to "*Frequency Switch Event*" above.

Miscellaneous

Each Report shall state that it is for the purposes of information only, that certain information included in the report is estimated, approximated or projected and that it is provided without any representations or warranties as to the accuracy or completeness thereof and that none of the Collateral Administrator, the Trustee, the Issuer or the Collateral Manager will have any liability for estimates, approximations or projections contained therein.

Each Monthly Report and Payment Date Report will be made available via the Collateral Administrator's website currently located at https://gctinvestorreporting.bnymellon.com. It is not intended that such Reports will be made available in any other format, save in limited circumstances with the Collateral Administrator's agreement. The Collateral Administrator's website does not form part of the information provided for the purposes of this Prospectus and disclaimers may be posted with respect to the information posted thereon. Registration may be required for access to such website and persons wishing to access such website may be required to certify that they are Noteholders or otherwise entitled to access such website.

In addition, the Collateral Administrator shall provide the Issuer with such other information and in such a format relating to the Portfolio as the Issuer may reasonably request and which is in the possession of the Collateral Administrator, in order for the Issuer to satisfy its obligation to make certain filings of information with the Central Bank of Ireland and in respect of the preparation of its financial statements and tax returns.

HEDGING ARRANGEMENTS

The following is a summary of the principal terms of the hedging arrangements to be entered into by the Issuer on or about the Issue Date and thereafter. The following is a summary only and should not be relied upon as an exhaustive description of the detailed provisions of such documents (copies of which are available from the registered office of the Issuer). Any Hedge Agreement may include additional or different terms to those described below.

Hedge Agreements

Subject to (i) such arrangements at the time they are entered into satisfying the Hedge Agreement Eligibility Criteria, or (ii) the receipt by the Collateral Manager of legal advice from a reputable legal counsel to the effect that the entry into such arrangements shall not require any of the Issuer, the Collateral Manager or their respective directors, officers or employees to register with the United States Commodities Futures Trading Commission as a commodity pool operator or a commodity trading advisor pursuant to the United States Commodity Exchange Act of 1936, as amended, the Issuer (or the Collateral Manager on its behalf) may enter into hedging transactions as described below and documented under a 1992 (Multicurrency Cross Border) or 2002 Master Agreement or such other form published by the International Swaps and Derivatives Association, Inc. ("**ISDA**").

Form Approved Hedge Agreements

The Issuer or the Collateral Manager acting on its behalf, shall provide at least two (2) Business Days' prior written notification to each Rating Agency then rating any Class of Notes each time it enters into a Hedge Transaction in the form of a Form Approved Asset Swap or Form Approved Interest Rate Hedge.

"**Form Approved Asset Swap**" means an Asset Swap Transaction and the related Asset Swap Agreement, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the name and financial aspects of the related Collateral Debt Obligation, the notional amount, the effective date, the termination date and any other consequential amendments in respect thereof required to reflect the relevant Collateral Debt Obligation) to a form approved by the Rating Agencies from time to time provided that any form approved by the Rating Agencies prior to the Issue Date shall, unless otherwise notified to the Issuer by a Rating Agency, constitute a Form Approved Asset Swap.

"**Form Approved Interest Rate Hedge**" means an Interest Rate Hedge Transaction and the related Interest Rate Hedge Agreement, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the applicable floating rate index, the notional amount, the effective date, the termination date and any other consequential amendments in respect thereof required to reflect the relevant Collateral Debt Obligation) to a form approved by the Rating Agencies from time to time provided that any form approved by the Rating Agencies prior to the Issue Date shall, unless otherwise notified to the Issuer by a Rating Agency, constitute a Form Approved Interest Rate Hedge.

Currency Hedging Arrangements

Asset Swap Agreements

The Issuer (or the Collateral Manager on behalf of the Issuer) may purchase Non-Euro Obligations provided that the Collateral Manager, on behalf of the Issuer, for any Non-Euro Obligation, enters into an Asset Swap Transaction with an Asset Swap Counterparty (i) if such Non-Euro Obligation is denominated in a Qualifying Unhedged Obligation Currency within 90 days of the settlement date of acquisition thereof and otherwise (ii) not later than the settlement date thereof, pursuant to the terms of which the initial principal exchange is made in connection with funding the Issuer's acquisition of the related Non-Euro Obligation and the final and, if applicable, interim principal exchanges are made

to convert the principal proceeds received in respect thereof at maturity and prior to maturity, respectively and coupon exchanges are made at the exchange rate specified for such transaction.

Transactions entered into under an Asset Swap Agreement are documented in confirmations to such Asset Swap Agreement. Each transaction will be evidenced by a confirmation entered into pursuant to an Asset Swap Agreement (each an "**Asset Swap Transaction**"). An Asset Swap Transaction, if entered into, will be:

(a) used to hedge the currency (and if applicable, interest rate) mismatch between the Notes and any Non-Euro Obligations;

(b) in the case of a Form Approved Asset Swap, subject to delivery of prior written notice to the Rating Agencies in respect thereof; and

(c) other than in the case of a Form Approved Asset Swap, subject to receipt of Rating Agency Confirmation in respect thereof.

Further, each Asset Swap Counterparty will be required to satisfy the applicable Rating Requirement (taking into account any guarantor thereof).

Upon the sale of an Asset Swap Obligation, the Asset Swap Transaction relating thereto shall be terminated on or around the date of such sale in accordance with its terms, resulting in either (i) the Asset Swap Counterparty receiving the proceeds of the sale of the Asset Swap Obligation from the Issuer (which shall be funded outside the Priorities of Payments from the Non Euro Hedge Account) and returning the Sale Proceeds (in accordance with paragraph (ii) of the definition thereof) to the Issuer or (ii) the Issuer retaining the proceeds of sale of the Asset Swap Obligation (which shall be converted into Euro and paid into the Principal Account in accordance with the Conditions) net of any payments due to or from the Asset Swap Counterparty in connection with the termination of the Asset Swap Transaction in such circumstances (which the Issuer shall pay to the Asset Swap Counterparty on the date such payment is due in accordance with the applicable Hedge Agreement).

Furthermore, upon the insolvency of the Issuer and/or the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*), the Asset Swap Counterparty may, but shall not be obliged to, early terminate any Asset Swap Transaction, in which case any Asset Swap Termination Payment would be paid in accordance with the Post-Acceleration Priority of Payments (other than with respect to any Counterparty Downgrade Collateral and/or Swap Tax Credit which is required to be returned to an Asset Swap Counterparty outside the Priorities of Payments in accordance with the Asset Swap Agreement).

If, following the insolvency of the Issuer and/or the acceleration of the Notes, the Asset Swap Counterparty, elects not to early terminate any Asset Swap Transaction, the Asset Swap Transaction shall terminate in accordance with its terms upon the sale of the relevant Asset Swap Obligation, resulting in the payments referred to in the preceding paragraph being made. An Asset Swap Transaction may also terminate in accordance with its terms upon repayment in full of the related Asset Swap Obligation and related final exchange under such Asset Swap Transaction.

Replacement Asset Swap Transactions

In the event that any Asset Swap Transaction terminates in whole at any time in circumstances in which the applicable Asset Swap Counterparty is the "Defaulting Party" or sole "Affected Party" (each as defined in the applicable Asset Swap Agreement) the Issuer, or the Collateral Manager on its behalf, shall use commercially reasonable efforts to enter into a Replacement Asset Swap Transaction within 30 days of the termination thereof with a counterparty which (or whose guarantor) satisfies, among other things, the applicable Rating Requirement.

In the event of termination of an Asset Swap Transaction in the circumstances referred to above, any Asset Swap Termination Receipt will be paid into the relevant Hedge Termination Account and shall

be applied towards the costs of entry into a Replacement Asset Swap Transaction, together with, where necessary, Interest Proceeds and/or Principal Proceeds that are available for such purpose on any Payment Date pursuant to the Priorities of Payments, subject to receipt of Rating Agency Confirmation, save:

(a) where the Issuer or the Collateral Manager on its behalf, determines not to replace such Asset Swap Transaction and Rating Agency Confirmation is received in respect of such determination; or

(b) where termination of the Asset Swap Transaction occurs on a Redemption Date pursuant to Conditions 7(a) (*Final Redemption*), 7(b) (*Optional Redemption*) (other than in connection with a Refinancing), 7(g) (*Redemption following Note Tax Event*) or 10(a) (*Note Events of Default*); or

(c) to the extent that such Asset Swap Termination Receipt is not required for application towards any Asset Swap Replacement Payment,

in which event such Asset Swap Termination Receipt shall be paid into the Principal Account and shall constitute Unscheduled Principal Proceeds.

In the event that the Issuer receives any Asset Swap Replacement Receipt upon entry into a Replacement Asset Swap Transaction, such amount shall be paid into the relevant Hedge Termination Account and applied directly by the Collateral Administrator acting on the instructions of the Collateral Manager (acting on behalf of the Issuer) in payment of any Asset Swap Termination Payment payable upon termination of the Asset Swap Transaction being so replaced. To the extent not fully paid out of Asset Swap Replacement Receipts, any Asset Swap Termination Payment payable by the Issuer shall be paid to the applicable Asset Swap Counterparty on the next Payment Date in accordance with the Priorities of Payments. To the extent not required for making any such Asset Swap Termination Payment, such Asset Swap Replacement Receipts shall be paid into the Principal Account and shall constitute Unscheduled Principal Proceeds.

Subject to sub paragraph (a) above, in the event that a Replacement Asset Swap Transaction cannot be entered into in such circumstances, the Collateral Manager, acting on behalf of the Issuer, shall sell the applicable Non-Euro Obligation, pay the proceeds thereof to the applicable Asset Swap Counterparty, to the extent required pursuant to the terms of such Asset Swap Transaction and/or to the extent not so required, shall direct the Collateral Administrator to convert all of such proceeds into Euro at the Applicable Exchange Rate and shall procure that such amounts are paid into the Principal Account. In the event that such proceeds are insufficient to pay any Asset Swap Termination Payments in full, such amount, including any Defaulted Hedge Termination Payment, shall be paid out of Interest Proceeds and/or Principal Proceeds on the next following Payment Date in accordance with the Priorities of Payments.

Interest Rate Hedging Arrangements

Interest Rate Hedge Agreements

The Issuer (or the Collateral Manager on its behalf) may enter into any additional Interest Rate Hedge Transactions from time to time in order to hedge any interest rate mismatch between the Notes (other than the Subordinated Notes) and the Collateral Debt Obligations, subject to the receipt of Rating Agency Confirmation in respect thereof and provided that the Interest Rate Hedge Counterparty satisfies the applicable Rating Requirement.

Replacement Interest Rate Hedge Agreements

In the event that an Interest Rate Hedge Transaction terminates in whole at any time in circumstances which the applicable Interest Rate Hedge Counterparty is the "Defaulting Party" or sole "Affected Party" (each such term as defined in the applicable Interest Rate Hedge Agreement), the Issuer, or the

Collateral Manager on its behalf, shall use commercially reasonable efforts to enter into a Replacement Interest Rate Hedge Transaction within 30 days of termination thereof with an Interest Rate Hedge Counterparty which satisfies the applicable Ratings Requirement.

Hedge Agreement Eligibility Criteria

The Collateral Manager shall only cause the Issuer to enter into a Hedge Agreement that (i) at the time such Hedge Agreement is entered into, satisfy the Hedge Agreement Eligibility Criteria; or (ii) in respect of which, the Issuer obtains legal advice of reputable legal counsel that such Hedge Agreement will not cause the Issuer, the Collateral Manager or their respective directors, officers or employees to be required to register as a CPO with the CFTC with respect to the Issuer.

If a responsible representative of the Collateral Manager with knowledge of the Portfolio has actual knowledge of any change in law or regulation that would lead him or her to reasonably question the viability of the Hedge Agreement Eligibility Criteria mentioned above, the Collateral Manager shall cause the Issuer to seek written legal advice in respect of such Hedge Agreement Eligibility Criteria. If the Collateral Manager cannot obtain such advice it shall not cause the Issuer to enter into any further Hedge Agreements unless in respect of any such further Hedge Agreement it obtains written legal advice of reputable legal counsel that such Hedge Agreement will not cause the Issuer, the Collateral Manager or their respective directors, officers or employees to be required to register as a CPO with the CFTC with respect to the Issuer.

Notwithstanding anything in the Collateral Management Agreement or the Trust Deed to the contrary, the Collateral Manager may unilaterally elect to modify the Hedge Agreement Eligibility Criteria without the consent of any other party so long as it causes the Issuer to obtain an opinion from reputable legal counsel that Hedge Agreements entered into in compliance with such modified Hedge Agreement Eligibility Criteria will not cause the Issuer, the Collateral Manager or their respective directors, officers or employees to be required to register as a CPO with the CFTC with respect to the Issuer.

Notwithstanding the above, if, in the reasonable opinion of the Collateral Manager, entry into a Hedge Agreement would require registration of the Collateral Manager or its directors, officers or employees as a CPO, the Issuer will not be permitted to enter into such Hedge Agreement unless such registration is made by the Collateral Manager with respect to, and at the expense of, the Issuer.

Standard Terms of the Hedge Agreements

Each Hedge Agreement entered into by or on behalf of the Issuer shall contain the following standard provisions, save to the extent that any change thereto is agreed by the Issuer and the applicable Hedge Counterparty and subject to receipt of Rating Agency Confirmation in respect thereof.

Gross up

Under each Hedge Agreement the Issuer will not be obliged to gross up any payments thereunder in the event of any withholding or deduction for or on account of tax required to be paid on such payments. Under each Hedge Agreement the applicable Hedge Counterparty will be obliged to gross up any payments thereunder in the event of any withholding or deduction for or on account of tax required to be paid on such payments (excluding, in some cases, any withholding or deduction required pursuant to FATCA). Any such event may however result in a "Tax Event" which is a "Termination Event" for the purposes of the relevant Hedge Agreement. In the event of the occurrence of a Tax Event (as defined in such Hedge Agreement), each Hedge Agreement will include provision for the relevant "Affected Party" (as defined therein) to use reasonable endeavours, in the case of the Hedge Counterparty, to arrange for a transfer of all of its interests and obligations under the Hedge Agreement and all Transactions (as defined in the Hedge Agreement) thereunder to an Affiliate that is incorporated in another jurisdiction so as to avoid the requirement to withhold or deduct for or on account of tax.

Limited Recourse and Non Petition

The obligations of the Issuer under each Hedge Agreement will be limited to the proceeds of enforcement of the Collateral as applied in accordance with the Priorities of Payments set out in Condition 3(c) (*Priorities of Payments*) (other than with respect to any Counterparty Downgrade Collateral and/or Swap Tax Credit which is required to be returned to a Hedge Counterparty outside the Priorities of Payments in accordance with the relevant Hedge Agreement). The Issuer will have the benefit of limited recourse and non-petition language similar to the language set out in Condition 4(c) (Limited Recourse and Non Petition).

Termination Provisions

Each Hedge Agreement may terminate by its terms, whether or not the Notes have been paid in full prior to such termination, upon the occurrence of a number of events (which may include without limitation):

(a) certain events of bankruptcy, insolvency, receivership or reorganisation of the Issuer or the related Hedge Counterparty;

(b) failure on the part of the Issuer or the related Hedge Counterparty to make any payment under the applicable Hedge Agreement after taking into account the applicable grace period;

(c) a change in law making it illegal for either the Issuer or the related Hedge Counterparty to be a party to, or perform its obligations under, the applicable Hedge Agreement;

(d) the principal due in respect of the Notes is declared to be due and payable in accordance with the terms of the Trust Deed and, in some cases, the Trustee has started to sell all or part of the Collateral as a consequence thereof;

(e) the Notes are redeemed in whole prior to the Maturity Date (otherwise than as a result of a Note Event of Default thereunder);

(f) representations related to certain regulatory matters prove to be incorrect;

(g) representations related to certain regulatory matters prove to be incorrect when made, if the Issuer becomes subject to AIFMD, or if the Issuer or the Collateral Manager is required to register as a "commodity pool operator" and such party does not so register pursuant to the United States Commodity Exchange Act of 1936, as amended and certain representations relating to EMIR;

(h) other regulatory changes occur which have a material adverse effect on a Hedge Counterparty; and

(i) material changes are made to the Transaction Documents without the consent of a Hedge Counterparty which could have a material adverse effect on the Hedge Counterparty.

A termination of a Hedge Agreement does not constitute a Note Event of Default under the Notes.

Asset Swap Agreements may also contain provisions which allow an Asset Swap Transaction to terminate upon the occurrence of certain credit events or restructuring events related to the underlying Non-Euro Obligation. These events could potentially be triggered in circumstances where the related Collateral Debt Obligation would not constitute a Defaulted Obligation (as such term is defined in the Conditions). In such instances the related Asset Swap Transaction would terminate and the Issuer (or the Collateral Manager acting on its behalf) may need to sell the related Non-Euro Obligation unless a new Asset Swap Transaction can be entered into.

Rating Downgrade Requirements

Each Hedge Agreement shall contain the terms and provisions required by the Rating Agencies for the type of derivative transaction described in this Prospectus in the event of the downgrade of the Hedge Counterparty. Such provisions may include a requirement that a Hedge Counterparty downgraded below certain minimum levels consistent with the ratings of the Notes must post collateral or transfer the Hedge Agreement to another entity meeting the applicable Rating Requirement or procure that an eligible guarantor meeting the applicable Rating Requirement guarantees its obligations under the Hedge Agreement or take other actions subject to Rating Agency Confirmation.

Transfer and Modification

The Collateral Manager acting on behalf of the Issuer, may not modify any Hedge Transaction or Hedge Agreement without Rating Agency Confirmation in relation to such modification, save to the extent that it would constitute a Form Approved Asset Swap or a Form Approved Interest Rate Hedge (as applicable) following such modification. A Hedge Counterparty may transfer its rights and obligations under a Hedge Agreement to any institution which (or whose credit support provider (as defined in the applicable Hedge Agreement)) satisfies the applicable Rating Requirement and provided that such institution has the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents.

Any of the requirements set out herein may be modified in order to meet any new or additional requirements of any Rating Agency then rating any Class of Notes.

Governing Law

Each Hedge Agreement together with each Hedge Transaction thereunder in each case, including any non-contractual obligations arising out of or in relation thereto, will be governed by, and construed in accordance with, the laws of England.

Reporting of Specified Hedging Data

The Collateral Manager, on behalf of the Issuer, may from time to time enter into agreements (each a "**Reporting Delegation Agreement**") in a form approved by the Rating Agencies for the delegation of certain derivative transaction reporting obligations to one or more Hedge Counterparties or third parties (each, in such capacity, a "**Reporting Delegate**").

TAX CONSIDERATIONS

General

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

Potential purchasers who are in any doubt about their tax position on purchase, ownership, transfer or exercise of any Note should consult their own tax advisers. In particular, no representation is made as to the manner in which payments under the Notes would be characterised by any relevant taxing authority. Potential investors should be aware that the relevant fiscal rules or their interpretation may change, possibly with retrospective effect, and that this summary is not exhaustive. This summary does not constitute legal or tax advice or a guarantee to any potential investor of the tax consequences of investing in the Notes.

Certain Irish Tax Considerations

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

Tax Residency

The Issuer is incorporated in Ireland. The Issuer will be resident for tax purposes in Ireland if it is centrally managed and controlled in Ireland. It is intended that the directors of the Issuer will conduct the affairs of the Issuer in a manner that will allow for this.

Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest which may include interest payable on the Notes. However, an exemption from withholding on interest payments exists under Section 64 of the TCA for certain securities ("**quoted Eurobonds**") issued by a body corporate (such as the Issuer) which are interest bearing and quoted on a recognised stock exchange.

Any interest paid on such quoted Eurobonds can be paid free of withholding tax provided:

(a) the person by or through whom the payment is made is not in Ireland; or

(b) the payment is made by or through a person in Ireland, and either:

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

(ii) the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to a relevant person (such as an Irish paying agent, if any) in the prescribed form.

So long as the Notes are quoted on a recognised stock exchange and are held in any of Euroclear and Clearstream Luxembourg, interest on the Notes can be paid by any paying agent acting on behalf of the Issuer without any withholding or deduction for or on account of Irish income tax.

If, for any reason, the quoted Eurobond exemption referred to above ceases to apply, the Issuer can still pay interest on the Notes free of withholding tax provided it is a "qualifying company" (within the meaning of Section 110 of the TCA, as amended "**Section 110**") and provided the interest is paid to a person resident in a "relevant territory" (i.e. a Member State (other than Ireland) or in a country with which Ireland has signed a double taxation agreement). For this purpose, residence is determined by reference to the law of the country in which the recipient claims to be resident. This exemption from withholding tax will not apply, however, if the interest is paid to a company in connection with a trade or business carried on by it through a branch or agency located in Ireland.

Encashment Tax

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

Taxation of Noteholders

Notwithstanding that a Noteholder may receive interest on the Notes free of withholding tax, the Noteholder may still be liable to pay Irish income tax. Interest paid on the Notes may have an Irish source and therefore be within the charge to Irish income tax and levies. Ireland operates a self assessment system in respect of income tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

However, interest on the Notes will be exempt from Irish income tax if the recipient of the interest is resident in a relevant territory provided:

(a) the Notes are quoted Eurobonds and are exempt from withholding tax as set out above; or

(b) in the event of the Notes ceasing to be quoted Eurobonds exempt from withholding tax, if the Issuer is a qualifying company within the meaning of Section 110 and the interest is paid out of the assets of the Issuer; or

(c) if the Issuer has ceased to be a qualifying company, the recipient of the interest is a company resident in a relevant territory that generally taxes interest receivable by companies from foreign sources, or the interest is exempt from income tax under the provisions of a double taxation agreement that was then in force when the interest was paid or would have been exempt had a double taxation agreement that was signed at the date the interest was paid been in force at that date.

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

In addition, *provided that* the Notes are quoted Eurobonds and are exempt from withholding tax as set out above, the interest on the Notes will be exempt from Irish income tax if the recipient of the interest is (i) a company under the control, directly or indirectly, of persons who by virtue of the law of a relevant territory are resident in that country and that person or persons are not themselves under the control, whether directly or indirectly, of a person who is not resident in such a country, or (ii) a company, the principal class of shares of such company, or another company of which the recipient company is a 75 per cent. subsidiary, is substantially and regularly traded on one or more recognised stock exchanges in a relevant territory or a stock exchange approved by the Irish Minister for Finance.

Noteholders receiving interest on the Notes which does not fall within the above exemptions may be liable to Irish income tax.

Deductibility of Interest by Qualifying Companies Holding Irish Specified Mortgages

Section 22 of the Irish Finance Act, 2016 amends Section 110 TCA. It applies to qualifying companies which carry on a business of holding, managing or both holding and managing "specified mortgages".

A "**specified mortgage**" for this purpose is:

(a) a loan which is secured on, and which derives its value from, or the greater part of its value from, directly or indirectly, land in Ireland;

(b) a specified agreement which derives all of its value, or the greater part of its value, directly or indirectly, from land in Ireland or a loan to which paragraph (a) applies. A specified agreement is defined in Section 110 TCA and includes certain derivatives, swaps or similar arrangements. A specified mortgage does not include a specified agreement which derives its value or the greater part of its value from a CLO transaction, a CMBS/RMBS transaction, a loan origination business or a sub-participation transaction (as defined in Section 110 TCA);

(c) any portion of a security issued by another qualifying company which carries on the business of holding or managing specified mortgages and which carries a right to results dependent or non-commercial interest; or

(d) units in an Irish Real Estate Fund (within the meaning of Chapter 1B of Part 27 TCA);

Such activity is defined as a "specified property business". Where the qualifying company carries on a specified property business in addition to other activities, it must treat the specified property business as a separate business and apportion its expenses on a just and reasonable basis between the separate businesses.

Where the qualifying company has financed itself with loans carrying interest which is dependent on the results of that company's business or interest which represents more than a reasonable commercial return for the use of the principal, or has entered into specified agreements (such as swaps) then the interest or return payable will not be deductible for Irish tax purposes to the extent it exceeds a reasonable commercial return which is not dependent on the results of the qualifying company.

This restriction is subject to a number of exceptions. Transactions which qualify as "CLO transactions" should not be subject to the restrictions described above. A CLO transaction is defined as a securitisation transaction carried out in conformity with:

(a) a prospectus, within the meaning of the Prospectus Directive;

(b) listing particulars, where any securities issued by the qualifying company are listed on an exchange, other than the main exchange, of Ireland or a relevant EU member state; or

(c) where the securities issued by the qualifying company will not be listed on an exchange in Ireland or a relevant EU member state, legally binding documents. In addition, the transaction

  (i) may provide for a warehousing period, which means a period not exceeding 3 years during which time the qualifying company is preparing to issue securities; and

  (ii) provide for investment eligibility criteria that govern the type and quality of assets to be acquired.

Finally, based on the documents referred to in paragraphs (a) to (c) and the activities of the qualifying company, in order for a transaction to be a CLO transaction it must not be reasonable to consider that the main purpose, or one of the main purposes, of the qualifying company was to acquire specified mortgages.

In order to benefit from the exception, the qualifying company must not carry out any activities, other than activities which are incidental or preparatory to the transaction or business of a CLO transaction.

As such, the restrictions on deductibility should not apply if either:

(a) the Issuer does not hold or manage specified mortgages; or

(b) the Issuer's activities fall within the definition of a CLO transaction.

In addition, the legislation does contain other provisions which could limit or eliminate the restrictions on deductibility depending on the structuring of the transaction.

Capital Gains Tax

A holder of the Notes will be subject to Irish tax on capital gains on a disposal of the Notes unless such holder is neither resident nor ordinarily resident in Ireland and does not carry on a trade in Ireland through a branch or agency in respect of which the Notes are used or held.

Capital Acquisitions Tax

A gift or inheritance comprising Notes will be within the charge to capital acquisitions tax if either (i) the disponer or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponer is domiciled in Ireland irrespective of his residence or that of the donee/successor) or (ii) if the Notes are regarded as property situate in Ireland. Bearer notes are generally regarded as situated where they are physically located at any particular time. Registered notes are generally regarded as situated where the principal register of noteholders is maintained or required to be maintained, but the Notes may be regarded as situated in Ireland regardless of their physical location or the location of the register as they secure a debt due by an Irish resident debtor and they may be secured over Irish property. Accordingly, if such Notes are comprised in a gift or inheritance, the gift or inheritance may be within the charge to tax regardless of the residence status of the disponer or the donee/successor.

Stamp Duty

On the basis of an exemption provided for in Section 85(2)(c) to the Stamp Duties Consolidation Act, 1999 of Ireland, provided the proceeds of the Notes are used in the course of the Issuer's business, no stamp duty or similar tax is imposed in Ireland on the issue, transfer or redemption of the Notes.

FATCA Implementation in Ireland

On 21 December 2012, the Governments of Ireland and the United States signed the Ireland IGA. In July 2014, Ireland enacted Financial Accounts Reporting (United States of America) Regulations 2014 (the "**Irish FATCA Regulations**").

The Ireland IGA and Irish FATCA Regulations will increase the amount of tax information automatically exchanged between Ireland and the United States. They provide for the automatic reporting and exchange of information in relation to accounts held in Irish "financial institutions" by U.S persons and the reciprocal exchange of information regarding U.S. financial accounts held by Irish residents.

The Issuer intends to carry on its business in such a way as to ensure that it is treated as complying with FATCA pursuant to the terms of the Ireland IGA and the Irish FATCA Regulations. The Issuer expects to be treated as a "financial institution". The Issuer shall be required to register with the US

Internal Revenue Service as a "reporting financial institution" for FATCA purposes. In order for the Issuer to comply with its FATCA obligations it will be required to report certain information to the Irish Revenue Commissioners relating to Noteholders who, for FATCA purposes, are specified US persons, non-participating financial institutions or passive non-financial foreign entities ("**NFFEs**") that are controlled by specified US persons. Any information reported by the Issuer to the Irish Revenue Commissioners will be communicated to the US Internal Revenue Service pursuant to the IGA. It is possible that the Irish Revenue Commissioners may also communicate this information to other tax authorities pursuant to the terms of any applicable double tax treaty, intergovernmental agreement or exchange of information regime.

The Issuer shall be entitled to require Noteholders to provide any information regarding their FATCA status, identity or residency required by the Issuer to satisfy its FATCA obligations. Noteholders will be deemed, by their subscription for or holding of Notes to have authorised the automatic disclosure of such information by the Issuer or any other authorised person to the relevant tax authorities.

The Issuer should not generally be subject to FATCA withholding tax in respect of its US source income for so long as it complies with its FATCA obligations. However, FATCA withholding tax may arise on US source payments to the Issuer if the Issuer does not comply with its FATCA registration and reporting obligations and the US Internal Revenue Service has specifically identified the Issuer as being a 'non-participating financial institution' for FATCA purposes. In addition, the Issuer may be unable to comply with its FATCA obligations if Noteholders do not provide the required certifications or information. Noteholders should consult their own tax advisors as to the potential implication of the reporting requirements imposed on the Issuer by FATCA before investing.

The Common Reporting Standard in Ireland

On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters was published by the OECD and this includes the Common Reporting Standard ("**CRS**"). The CRS provides that certain entities (known as Financial Institutions) shall identify "Accounts" (as defined, broadly equity and debt interests in the Financial Institution) held by persons who are tax resident in another CRS participating jurisdiction. That information is then subject to annual automatic exchange between governments in CRS participating jurisdictions.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation ("**DAC II**") implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis commencing in 2017 in respect of the 2016 calendar year. Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the "**CRS Regulations**"). The Irish Revenue Commissioners have indicated that Irish Financial Institutions will be obliged to make a single return in respect of CRS and DAC II. CRS applies in Ireland from 1 January 2016.

The Issuer is expected to constitute a Financial Institution for CRS purposes. In order to comply with its obligations under CRS and DAC II, the Issuer shall be entitled to require Noteholders to provide certain information in respect of the Noteholder's and, in certain circumstances, their controlling persons' tax status, identity or residence. Noteholders will be deemed, by their holding of the Notes, to have authorised the automatic disclosure of such information by the Issuer (or any nominated service provider) to the Irish Revenue Commissioners. The information will be reported by the Issuer to the Irish Revenue Commissioners who will then exchange the information with the tax or governmental authorities of other participating jurisdictions, as applicable. To the extent that the Notes are held within a recognised clearing system, the Issuer should have no reportable accounts in a tax year.

Provided the Issuer complies with these obligations, it should be deemed compliant for CRS and DAC II purposes. Failure by the Issuer to comply with its CRS and DAC II obligations may result in it

being deemed to be non-compliant in respect of its CRS obligations and monetary penalties may be imposed pursuant to the Irish implementing legislation.

Certain U.S. Federal Income Tax Considerations

General

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

For purposes of this summary, a "**U.S. Holder**" is a beneficial owner of a Note that is:

(a) an individual who is a citizen or a resident of the United States, for U.S. federal income tax purposes;

(b) a corporation (or other entity that is treated as a corporation for U.S. federal tax purposes) that is created or organised in or under the laws of the United States, any State thereof, or the District of Columbia;

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

(d) a trust if a court within the United States is able to exercise primary supervision over its administration, and one or more United States persons have the authority to control all of its substantial decisions.

For purposes of this summary, a "**Non-U.S. Holder**" is a beneficial owner of a Note that is:

(a) a non-resident alien individual for U.S. federal income tax purposes;

(b) a foreign corporation for U.S. federal income tax purposes;

(c) an estate whose income is not subject to U.S. federal income tax on a net income basis; or

(d) a trust if no court within the United States is able to exercise primary jurisdiction over its administration or if no United States persons have the authority to control all of its substantial decisions.

An individual may, subject to certain exceptions, be deemed to be a resident of the United States for U.S. federal income tax purposes by reason of being present in the United States for at least 31 days in the calendar year and for an aggregate of more than 182 days during a three-year period ending in the current calendar year (counting for such purposes all of the days present in the current year, one-third of the days present in the immediately preceding year, and one-sixth of the days present in the second preceding year).

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

This summary is based on interpretations of the Internal Revenue Code of 1986, as amended (the "**Code**"), regulations issued thereunder, and rulings and decisions currently in effect (or in some cases proposed), all of which are subject to change. Any such change may be applied retroactively and may adversely affect the federal income tax consequences described herein. This summary addresses only holders that purchase Notes at initial issuance for cash (and, in the case of the Rated Notes, at their issue price) and beneficially own such Notes as capital assets and not as part of a "straddle", "hedge", "synthetic security" or a "conversion transaction" for federal income tax purposes, or as part of some

other integrated investment. This summary does not discuss all of the tax consequences (such as any alternative minimum tax consequences) that may be relevant to particular investors or to investors subject to special treatment under the federal income tax laws (such as banks, thrifts, or other financial institutions; insurance companies; securities dealers or brokers, or traders in securities electing mark-to-market treatment; mutual funds or real estate investment trusts; small business investment companies; S corporations; partnerships or investors that hold their Notes through a partnership or other entity treated as a partnership for U.S. federal income tax purposes; U.S. Holders whose functional currency is not the U.S. dollar; certain former citizens or residents of the United States; retirement plans or other tax-exempt entities, or persons holding the Notes in tax-deferred or tax-advantaged accounts; or "controlled foreign corporations" or "passive foreign investment companies" for U.S. federal income tax purposes). This summary also does not address the tax consequences to shareholders, or other equity holders in, or beneficiaries of, a holder of Notes, or any state, local or foreign tax consequences of the purchase, ownership or disposition of the Notes. Finally, this summary does not address the tax consequences to a Contributor of a Contribution as described in Condition 2(k) (*Contributions*).

PROSPECTIVE PURCHASERS OF NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE U.S. FEDERAL, STATE AND LOCAL TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES, AS WELL AS ANY CONSEQUENCES ARISING UNDER THE LAWS OF ANY OTHER TAXING JURISDICTION TO WHICH THEY MAY BE SUBJECT.

U.S. Federal Tax Treatment of the Issuer

The Issuer will be treated as a foreign corporation for U.S. federal income tax purposes. The Issuer intends to operate so as not to be subject to U.S. federal income tax on its net income. In this regard, upon the issuance of the Notes, the Issuer will receive an opinion of Cadwalader, Wickersham & Taft LLP to the effect that, although no activity closely comparable to that contemplated by the Issuer has been the subject of any Treasury regulation, revenue ruling or judicial decision, if the Issuer and the Collateral Manager comply with the Trust Deed and the Collateral Management Agreement, including certain tax guidelines referenced therein (the "**U.S. Investment Restrictions**"), and certain other assumptions specified in the opinion are satisfied, the Issuer will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes under current law. Failure of the Issuer or the Collateral Manager to comply with the U.S. Investment Restrictions, the Trust Deed or the Collateral Management Agreement may not give rise to a default or a Note Event of Default under the Trust Deed or the Collateral Management Agreement and may not give rise to a claim against the Issuer or the Collateral Manager. In the event of such a failure, the Issuer could be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes. The Collateral Manager might act in accordance with the U.S. Investment Restrictions notwithstanding the issuance of new decisions by the courts, new legislation or official guidance (regardless of whether such new interpretation, legislation or guidance would either merely increase the risk that the Issuer would be, or actually cause the Issuer to be, engaged in a U.S. trade or business). In addition, although the Collateral Manager can be removed for cause, violations of the U.S. Investment Restrictions may not constitute "cause" for such purpose. Such violations will not constitute such "cause" if they do not, and cannot reasonably be expected to have, a material adverse effect on the holders of the Notes. It is not certain that a violation of the U.S. Investment Restrictions that causes an increase in the risk that the Issuer will be engaged in a trade or business in the United States for U.S. federal income tax purposes (without actually resulting in the determination that the Issuer is so engaged) will be treated as reasonably being expected to have such a material adverse effect. In addition, the U.S. Investment Restrictions permit the Issuer (or the Collateral Manager acting on its behalf) to depart from the U.S. Investment Restrictions if it receives advice from nationally recognised U.S. tax counsel to the effect that any changes in its structure and operations will not cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. The opinion of Cadwalader, Wickersham & Taft LLP will assume the correctness of any such advice. The opinion of Cadwalader, Wickersham & Taft LLP is not binding on the IRS or the courts. Moreover, a change in

law or its interpretation could result in the Issuer being treated as engaged in a trade or business in the United States for U.S. federal income tax purposes, or otherwise subject to U.S. federal income tax on a net income basis (notwithstanding that the Collateral Manager is acting in accordance with the U.S. Investment Restrictions). Finally, the Trust Deed could be amended in a manner that permits or causes the Issuer to be engaged in a trade or business in the United States for U.S. federal income tax purposes.

If it is determined that the Issuer is engaged in a trade or business in the United States for U.S. federal income tax purposes, and the Issuer has taxable income that is effectively connected with such U.S. trade or business, the Issuer will be subject under the Code to the regular U.S. federal corporate income tax on its effectively connected taxable income, possibly on a gross basis, and possibly to a 30 per cent. branch profits tax and state and local taxes as well. The imposition of such a tax liability could materially adversely affect the Issuer's ability to make payments on the Notes. The balance of this summary assumes that the Issuer is not subject to U.S. federal income tax on its net income.

U.S. Federal Tax Treatment of the Notes

General. Upon the issuance of the Notes, the Issuer will receive an opinion of Cadwalader, Wickersham & Taft LLP to the effect that, based on certain assumptions, the Class A Notes, Class B Notes, Class C Notes, and Class D Notes will be treated, and the Class E Notes should be treated, as indebtedness for U.S. federal income tax purposes. No opinion will be received with respect to the Class F Notes. The Issuer intends to treat each Class of the Rated Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes. The Issuer's characterisations will be binding on all Noteholders, and the Trust Deed requires the Noteholders to treat the Rated Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. Nevertheless, the IRS could assert, and a court could ultimately hold, that one or more Classes of Rated Notes are equity in the Issuer. If any Rated Notes were treated as equity in, rather than debt of, the Issuer for U.S. federal income tax purposes, then the Noteholders of those Notes would be subject to the special and potentially adverse U.S. tax rules applicable to U.S. equity owners in PFICs. See "Possible Treatment of Class E Notes and Class F Notes as Equity for U.S. Federal Tax Purposes" below. Except as otherwise indicated, the balance of this summary assumes that all of the Rated Notes are treated as indebtedness of the Issuer for U.S. federal, state and local income and franchise tax purposes. Prospective investors in the Rated Notes should consult their tax advisors regarding the U.S. federal, state and local income and franchise tax consequences to the investors in the event their Rated Notes are treated as equity in the Issuer.

The Issuer intends to treat the Subordinated Notes as equity in the Issuer for U.S. federal income tax purposes, and each holder by its purchase of a Subordinated Note agrees to treat the Subordinated Notes consistently with this treatment.

The Trust Deed could be amended in a manner that materially adversely affects the U.S. federal tax consequences of an investment in the Notes as described herein, including by affecting the U.S. federal income tax characterisation of the Notes as indebtedness or equity or changing the characterization and timing of income inclusions to U.S. Holders in respect of the Notes. The remainder of this discussion and the tax opinion of Cadwalader, Wickersham & Taft LLP assume that the Trust Deed is not so amended.

U.S. Federal Tax Treatment of U.S. Holders of Rated Notes

Class A Notes and Class B Notes

Stated Interest. U.S. Holders of Class A Notes and Class B Notes will include in gross income the U.S. dollar value of payments of stated interest accrued or received on their Notes, in accordance with their usual method of tax accounting, as ordinary interest income.

In general, U.S. Holders of Class A Notes or Class B Notes that use the cash method of accounting will calculate the U.S. dollar value of payments of stated interest based on the euro-to-U.S. dollar spot exchange rate at the time a payment is received.

In general, U.S. Holders of Class A Notes or Class B Notes that use the accrual method of accounting or that otherwise are required to accrue stated interest before receipt will calculate the U.S. dollar value of accrued interest based on the average euro-to-U.S. dollar spot exchange rate during the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the average euro-to-U.S. dollar spot exchange rate for the partial period within the U.S. Holder's taxable year). Alternatively, a U.S. Holder of Class A Notes or Class B Notes can elect to calculate the U.S. dollar value of accrued interest based on the euro-to-U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment, the spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

Accrual basis U.S. Holders of Class A Notes or Class B Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Class A Notes or Class B Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of such payments when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Original Issue Discount. In addition, if the discount at which a substantial amount of the Class A-1 Notes, Class A-2 Notes, Class B-1 Notes or Class B-2 Notes is first sold to investors is at least 0.25 per cent. of the principal amount of the Class, multiplied by the number of complete years to the weighted average maturity of the Class, then the Issuer will treat the Class as issued with original issue discount ("**OID**") for U.S. federal income tax purposes. The total amount of OID with respect to a Note within the Class will equal the excess of the principal amount of the Note over its issue price (the first price at which a substantial amount of Notes within the Class was sold to investors). U.S. Holders of Notes that are issued with OID will be required to include the U.S. dollar value of OID in advance of the receipt of cash attributable to such income. In general, U.S. Holders of the Class A-1 Notes, Class A-2 Notes, Class B-1 Notes or Class B-2 Notes will calculate the U.S. dollar value of OID based on the average euro-to-U.S. dollar spot exchange rate during the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the average euro-to-U.S. dollar spot exchange rate for the partial period within the U.S. Holder's taxable year). Alternatively, a U.S. Holder of the Class A-1 Notes, Class A-2 Notes, Class B-1 Notes or Class B-2 Notes can elect to calculate the U.S. dollar value of OID based on the euro-to U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment of accrued OID, the spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

A U.S. Holder will be required to include OID in income as it accrues (regardless of the U.S. Holder's method of accounting) under a constant yield method. Accruals of any such OID will be based on the weighted average life of the applicable Class rather than its stated maturity. It is possible, however, that the IRS could assert and a court could ultimately hold that some other method of accruing OID should apply.

U.S. Holders of Class A-1 Notes, Class A-2 Notes, Class B-1 Notes or Class B-2 Notes that are issued with OID also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Class A-1 Notes, Class A-2 Notes, Class B-1 Notes or Class B-2 Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange

rate on the date such payments are received) differs from the U.S. dollar value of the corresponding amounts of OID when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Sale, Exchange or Retirement. In general, a U.S. Holder will have a basis in its Note equal to the U.S. dollar value of the cost of such Note (based, in the case of a Class A Note or a Class B Note, on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired, or the settlement date for the purchase of the Note if the Note is treated under applicable Treasury regulations as a security traded on an established securities market and the U.S. Holder either uses the cash method of accounting, or uses the accrual method of accounting and so elects (which election must be applied consistently from year to year)), (i) increased by the U.S. dollar value of any such amount includable in income as OID (as described above), and (ii) reduced by the U.S. dollar value of payments of principal on such Note (based, in the case of a Class A Note or a Class B Note, on the euro-to-U.S. dollar spot exchange rate on the date any such payments were received).

A U.S. Holder will generally recognise foreign currency exchange gain or loss on the receipt of any principal payments on a Class A Note or Class B Note prior to a sale, exchange, or retirement of such Note to the extent that the U.S. dollar value of each such principal payment (based on the euro-to-U.S. dollar spot exchange rate on the date any such payment was received) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Upon a sale, exchange, or retirement of a Class A Note or Class B Note, a U.S. Holder will generally recognise gain or loss equal to the difference between the U.S. dollar value of the amount realised on the sale, exchange, or retirement (less any accrued and unpaid interest, which will be taxable as described above) and the holder's tax basis in such Note. In the case of a Class A Note or Class B Note, any such gain or loss will be foreign currency exchange gain or loss to the extent that the U.S. dollar value of the principal amount of the Note on the date of the sale, exchange, or retirement (based on the euro-to-U.S. dollar spot exchange rate on such date) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss. Any gain or loss in excess of foreign currency exchange gain or loss will be capital gain or loss, and generally will be treated as long-term capital gain or loss if the U.S. Holder held the Note for more than one year at the time of disposition. In certain circumstances, U.S. Holders who are individuals may be entitled to preferential tax rates for net long-term capital gains; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited.

Class C Notes, Class D Notes, Class E Notes and Class F Notes

Original Issue Discount. The Issuer will treat the Class C Notes, Class D Notes, Class E Notes and Class F Notes as issued with OID for U.S. federal income tax purposes. The total amount of OID with respect to a Class C Note, Class D Note, Class E Note or Class F Note will equal the sum of all payments to be received under such Note less its issue price (the first price at which a substantial amount of Notes within the applicable Class was sold to investors). U.S. Holders of the Class C Notes, Class D Notes, Class E Notes, or Class F Notes will be required to include the U.S. dollar value of OID in advance of the receipt of cash attributable to such income. In general, U.S. Holders will calculate the U.S. dollar value of OID based on the average euro-to-U.S. dollar spot exchange rate during the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the average euro-to-U.S. dollar spot exchange rate for the partial period within the U.S. Holder's taxable year). Alternatively, a U.S. Holder can elect to calculate the U.S. dollar value of OID based on the euro-to-U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment of accrued OID, the

euro-to-U.S. dollar spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

A U.S. Holder of Class C Notes, Class D Notes, Class E Notes or Class F Notes will be required to include OID in income as it accrues (regardless of the U.S. Holder's method of accounting) under a constant yield method. Accruals of any such OID will be based on the weighted average life of the applicable Class rather than its stated maturity. It is possible, however, that the IRS could assert, and a court could ultimately hold, that some other method of accruing OID on the Class C Notes, Class D Notes, Class E Notes, or Class F Notes should apply.

U.S. Holders of Class C Notes, Class D Notes, Class E Notes, or Class F Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of the corresponding amounts of OID when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Sale, Exchange or Retirement. In general, a U.S. Holder of a Class C Note, Class D Note, Class E Note or Class F Note will have a basis in such Note equal to the U.S. dollar value of the cost of such Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired, or the settlement date for the purchase of the Note if the Note is treated under applicable Treasury regulations as a security traded on an established securities market and the U.S. Holder either uses the cash method of accounting, or uses the accrual method of accounting and so elects (which election must be applied consistently from year to year)), (i) increased by any amount includable in income by such U.S. Holder as OID (as described above), and (ii) reduced by the U.S. dollar value of any payments received on such Note (based on the euro-to-U.S. dollar spot exchange rate on the date any such payments were received). A U.S. Holder will generally recognise foreign currency exchange gain or loss on the receipt of any principal payments on a Class C Note, Class D Note, Class E Note or Class F Note prior to a sale, exchange, or retirement of such Note to the extent that the U.S. dollar value of each such principal payment (based on the euro-to-U.S. dollar spot exchange rate on the date any such payment was received) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Upon a sale, exchange, or retirement of a Class C Note, Class D Note, Class E Note or Class F Note, a U.S. Holder will generally recognise gain or loss equal to the difference between the U.S. dollar value of the amount realised on the sale, exchange, or retirement and the holder's tax basis in such Note. Any such gain or loss will be foreign currency exchange gain or loss to the extent that the U.S. dollar value of the principal amount of the Note on the date of the sale, exchange, or retirement (based on the euro-to-U.S. dollar spot exchange rate on such date) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss. Any gain or loss in excess of foreign currency exchange gain or loss will be capital gain or loss, and generally will be treated as long-term capital gain or loss if the U.S. Holder held the Note for more than one year at the time of disposition. In certain circumstances, U.S. Holders who are individuals may be entitled to preferential tax rates for net long-term capital gains; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited.

Alternative Characterisation

It is possible that the Rated Notes could be treated as "contingent payment debt instruments" for U.S. federal income tax purposes. In this event, the timing of a U.S. Holder's OID inclusions could differ from that described above and any gain recognised on the sale, exchange, or retirement of such Notes would be treated as ordinary income and not as capital gain.

Receipt of Euro

U.S. Holders will have a tax basis in any euro received in respect of the Notes on a sale, redemption, or other disposition of the Notes equal to the U.S. dollar value of the euro on that date. Any gain or loss recognised on a sale, exchange, or other disposition of those euro generally will be ordinary income or loss. A U.S. Holder that converts the euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

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

As described above under "U.S. Federal Tax Treatment of the Notes," the Issuer intends to treat the Class E Notes and Class F Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes, and the Trust Deed requires Noteholders to treat the Class E Notes and Class F Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. Nevertheless, the IRS could assert, and a court could ultimately hold, that the Class E Notes and Class F Notes are equity in the Issuer for U.S. federal income tax purposes.

If the Class E Notes or Class F Notes are treated as equity in the Issuer, because the Issuer will be a passive foreign investment company (a "**PFIC**") for U.S. federal income tax purposes, the U.S. dollar value of gain on the sale of the Class E Notes and/or the Class F Notes could be treated as ordinary income and subject to an additional tax in the nature of interest, and the U.S. dollar value of certain interest on such Notes could be subject to the additional tax. A U.S. Holder of such Notes might be able to avoid the ordinary income treatment and additional tax by writing "Protective QEF Election" on the top of an IRS Form 8621, filling out the form, checking Box A (Election to Treat the PFIC as a QEF) and filing the form with the IRS with respect to their Class E Notes and the Class F Notes, or by filing a protective statement with the IRS preserving the U.S. Holder's ability to elect retroactively to treat the Issuer as a "qualified electing fund" (a "**QEF**") and so electing at the appropriate time. The Issuer will provide, upon such U.S. Holder's request and at such requesting U.S. Holder's expense, all information and documentation that a U.S. Holder of Class E Notes or Class F Notes is required to obtain for U.S. federal income tax purposes in order to make and maintain a "protective" QEF election. If the Class E Notes or Class F Notes are treated as equity, a U.S. Holder will also be required to file an annual PFIC report.

If the Issuer holds any Collateral Debt Obligations that are treated as equity in a foreign corporation for U.S. federal income tax purposes, and if the Class E Notes or Class F Notes are treated as equity in the Issuer, U.S. Holders of Class E Notes or Class F Notes could be treated as owning an indirect equity interest in a PFIC or a controlled foreign corporation ("**CFC**") and could be subject to certain adverse tax consequences. In particular, a U.S. Holder of an indirect equity interest in a PFIC is treated as owning the PFIC directly. The U.S. Holder, and not the Issuer, would be required to make a QEF election with respect to each indirect interest in a PFIC. However, certain PFIC information statements are necessary for U.S. Holders that have made QEF elections, and there can be no assurance that the Issuer can obtain such statements from a PFIC. Thus, there can be no assurance that a U.S. Holder would be able to make the election with respect to any indirectly held PFIC.

In addition, if the Class E Notes or Class F Notes represent equity in the Issuer for U.S. federal income tax purposes, a U.S. Holder of such Notes would be required to file an IRS Form 926 with the IRS if (i) such person is treated as owning, directly or by attribution, immediately after the U.S. Holder's purchase of Notes, at least 10 per cent. by value of the Issuer or (ii) the amount of cash transferred by such person (or any related person) to the Issuer during the 12-month period ending on the date of such purchase exceeds $100,000. U.S. Holders may wish to file a "protective" IRS Form 926 with respect to their Class E Notes and Class F Notes.

Finally, if the Class E Notes or Class F Notes represent equity in the Issuer, a U.S. Holder of such Notes will be required to file an IRS Form 5471 with the IRS if the U.S. Holder is treated as owning (actually or constructively) at least 10 per cent. by value of the equity of the Issuer for U.S. federal income tax purposes, and may be required to provide additional information regarding the Issuer

annually on IRS Form 5471 if the U.S. Holder is treated as owning (actually or constructively) more than 50 per cent. by value of the equity of the Issuer for U.S. federal income tax purposes. U.S. Holders may wish to file a "protective" IRS Form 5471 with respect to their Class E Notes and Class F Notes.

Prospective U.S. Holders of Class E Notes and Class F Notes should consult with their tax advisors regarding whether to make protective filings of IRS Forms 8621, 926 and 5471 with respect to such Notes and the consequences to them if the Class E Notes or Class F Notes are treated as equity in the Issuer.

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

Investment in a Passive Foreign Investment Company. The Issuer will constitute a PFIC for U.S. federal income tax purposes, and U.S. Holders of Subordinated Notes will be subject to the PFIC rules, except for certain U.S. Holders that are subject to the rules applicable to a CFC (as described below under "—Investment in a Controlled Foreign Corporation"). U.S. Holders should consider making an election to treat the Issuer as a QEF. Generally, a U.S. Holder makes a QEF election on IRS Form 8621, attaching a copy of that form to its U.S. federal income tax return for the first taxable year for which it held its Subordinated Notes. If a U.S. Holder makes a timely QEF election with respect to the Issuer, the electing U.S. Holder will be required in each taxable year to include in gross income (i) as ordinary income, the U.S. dollar value of the U.S. Holder's *pro rata* share of the Issuer's ordinary earnings and (ii) as long-term capital gain, the U.S. dollar value of the U.S. Holder's *pro rata* share of the Issuer's net capital gain, whether or not distributed. A U.S. Holder will not be eligible for the dividends received deduction in respect of such income or gain. In addition, any losses of the Issuer in a taxable year will not be available to the U.S. Holder and may not be carried back or forward in computing the Issuer's ordinary earnings and net capital gain in other taxable years. If applicable, the rules pertaining to a CFC, discussed below generally override those pertaining to a PFIC with respect to which a QEF election is in effect.

In certain cases in which a QEF does not distribute all of its earnings in a taxable year, the electing U.S. Holder may also be permitted to elect to defer payment of some or all of the taxes on the QEF's income, subject to a nondeductible interest charge on the deferred amount. In this respect, prospective purchasers of Subordinated Notes should be aware that it is expected that the Collateral Debt Obligations will include high-yield debt obligations and such instruments may have substantial OID, the cash payment of which may be deferred, perhaps for a substantial period of time. In addition, the Issuer may use proceeds from the sale of Collateral Debt Obligations to retire other classes of Notes. As a result, in any given year, the Issuer may have substantial amounts of earnings for U.S. federal income tax purposes that are not distributed on the Subordinated Notes. Thus, absent an election to defer payment of taxes, U.S. Holders that make a QEF election with respect to the Issuer may owe tax on significant "phantom" income.

The Issuer will provide, upon request and at the Issuer's expense, all information and documentation that a U.S. Holder of Subordinated Notes making a QEF election with respect to the Issuer is required to obtain for U.S. federal income tax purposes.

A U.S. Holder of Subordinated Notes (other than certain U.S. Holders that are subject to the rules pertaining to a CFC, described below) that does not make a timely QEF election will be required to report the U.S. dollar value of any gain on the disposition of its Subordinated Notes as ordinary income, rather than capital gain, and to compute the tax liability on such gain and any "Excess Distribution" (as defined below) received in respect of the Subordinated Notes as if such items had been earned ratably over each day in the U.S. Holder's holding period (or a certain portion thereof) for the Subordinated Notes. The U.S. Holder will be subject to tax on such gain or Excess Distributions at the highest ordinary income tax rate for each taxable year in which such gain or Excess Distributions are treated as having been earned, other than the current year (for which the U.S. Holder's regular ordinary income tax rate will apply), regardless of the rate otherwise applicable to the U.S. Holder. Further, such U.S. Holder will also be liable for a nondeductible interest charge as if

such income tax liabilities had been due with respect to each such prior year. For purposes of these rules, gifts, exchanges pursuant to corporate reorganisations and use of the Subordinated Notes as security for a loan may be treated as taxable dispositions of such Subordinated Notes. In addition, a stepped-up basis in the Subordinated Notes will not be available upon the death of an individual U.S. Holder who has not made a timely QEF election with respect to the Issuer.

An "**Excess Distribution**" is the amount by which the U.S. dollar value of distributions during a taxable year in respect of a Note exceeds 125 per cent. of the average amount of distributions in respect thereof during the three preceding taxable years (or, if shorter, the U.S. Holder's holding period for the Note).

In many cases, the U.S. federal income tax on any gain on disposition or receipt of Excess Distributions is likely to be substantially greater than the tax if a timely QEF election is made. A U.S. HOLDER OF A SUBORDINATED NOTE SHOULD STRONGLY CONSIDER MAKING A QEF ELECTION WITH RESPECT TO THE ISSUER.

Investment in a Controlled Foreign Corporation. The Issuer will be a CFC if more than 50 per cent. of the equity interests in the Issuer, measured by reference to combined voting power or value, are owned directly, indirectly, or constructively by 10 per cent. United States shareholders. For this purpose, a "10 per cent. United States shareholder" is any United States person that possesses directly, indirectly, or constructively 10 per cent. or more of the combined voting power of all classes of equity in the Issuer. It is likely that the Subordinated Notes will be treated as voting securities. In this case, a U.S. Holder of Subordinated Notes possessing directly, indirectly, or constructively 10 per cent. or more of the sum of the aggregate outstanding principal amount of the Subordinated Notes would be treated as a 10 per cent. United States shareholder. If more than 50 per cent. of the Subordinated Notes (and any Rated Notes that are treated as equity in the Issuer for U.S. federal income tax purposes), determined with respect to aggregate value or aggregate outstanding principal amount, are owned directly, indirectly, or constructively by such 10 per cent. United States shareholders, the Issuer will be treated as a CFC. If, for any given taxable year, the Issuer is treated as a CFC, a 10 per cent. United States shareholder of the Issuer will be required to include as ordinary income an amount equal to the U.S. dollar value of that person's *pro rata* share of the Issuer's "subpart F income" at the end of such taxable year. Among other items, and subject to certain exceptions, "subpart F income" includes dividends, interest, annuities, gains from the sale of shares and securities, certain gains from commodities transactions, certain types of insurance income and income from certain transactions with related parties. It is likely that, if the Issuer were to constitute a CFC, all of its income would be subpart F income.

If the Issuer is treated as a CFC and a U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, the Issuer will not be treated as a PFIC with respect to the U.S. Holder for the period during which the Issuer remains a CFC and the U.S. Holder remains a 10 per cent. United States shareholder of the Issuer (the "qualified portion" of the U.S. Holder's holding period for the Subordinated Notes). As a result, to the extent the Issuer's subpart F income includes net capital gains, such gains will be treated as ordinary income to the 10 per cent. United States shareholder under the CFC rules, notwithstanding the fact that the character of such gains generally would otherwise be preserved under the QEF rules. If the qualified portion of the U.S. Holder's holding period for the Subordinated Notes subsequently ceases (either because the Issuer ceases to be a CFC or the U.S. Holder ceases to be a 10 per cent. United States shareholder), then solely for purposes of the PFIC rules, the U.S. Holder's holding period for the Subordinated Notes will be treated as beginning on the first day following the end of such qualified portion, unless the U.S. Holder has owned any Subordinated Notes for any period of time prior to such qualified portion and has not made a QEF election with respect to the Issuer. In that case, the Issuer will again be treated as a PFIC which is not a QEF with respect to the U.S. Holder and the beginning of the U.S. Holder's holding period for the Subordinated Notes will continue to be the date upon which the U.S. Holder acquired the Subordinated Notes, unless the U.S. Holder makes an election to recognise gain with respect to the Subordinated Notes and a QEF election with respect to the Issuer. In the event that the Issuer is a CFC, then, at the request and expense of any U.S. Holder that is a 10 per cent. United States

shareholder with respect to the Issuer, the Issuer will provide the information necessary for the U.S. Holder to comply with any filing requirements that arise as a result of the Issuer's classification as a CFC.

Indirect Interests in PFICs and CFCs. If the Issuer owns a Collateral Debt Obligation that is treated as equity in a foreign corporation for U.S. federal income tax purposes, U.S. Holders of Subordinated Notes could be treated as owning an indirect equity interest in a PFIC or a CFC and could be subject to certain adverse tax consequences.

In particular, a U.S. Holder of an indirect equity interest in a PFIC is treated as owning the PFIC directly. The U.S. Holder, and not the Issuer, would be required to make a QEF election with respect to each indirect interest in a PFIC. However, certain PFIC information statements are necessary for U.S. Holders that have made QEF elections, and there can be no assurance that the Issuer can obtain such statements from a PFIC, and thus there can be no assurance that a U.S. Holder will be able to make the election with respect to any indirectly held PFIC.

Accordingly, if the U.S. Holder has not made a QEF election with respect to the indirectly held PFIC, the U.S. Holder would be subject to the adverse consequences described above under "Investment in a Passive Foreign Investment Company" with respect to any Excess Distributions of such indirectly held PFIC, any gain indirectly realised by such U.S. Holder on the sale by the Issuer of such PFIC, and any gain indirectly realised by such U.S. Holder with respect to the indirectly held PFIC on the sale by the U.S. Holder of its Subordinated Notes (which may arise even if the U.S. Holder realises a loss on such sale). Moreover, if the U.S. Holder has made a QEF election with respect to the indirectly held PFIC, the U.S. Holder will be required to include in income the U.S. dollar value of its *pro rata* share of the indirectly held PFIC's ordinary earnings and net capital gain as if the indirectly held PFIC were held directly (as described above), and the U.S. Holder will not be permitted to use any losses or other expenses of the Issuer to offset such ordinary earnings and/or net capital gains. Accordingly, if any of the Collateral Debt Obligations are treated as equity interests in a PFIC, U.S. Holders could experience significant amounts of "phantom" income with respect to such interests.

If a Collateral Debt Obligation is treated as an indirect equity interest in a CFC and a U.S. Holder owns directly, indirectly, or constructively 10 per cent. or more of the CFC's voting power for U.S. federal income tax purposes, the U.S. Holder generally will be required to include the U.S. dollar value of its *pro rata* share of the CFC's "subpart F income" as ordinary income at the end of each taxable year, as described above under "Investment in a Controlled Foreign Corporation," regardless of whether the CFC distributed any amounts to the Issuer during such taxable year or whether the U.S. Holder made a QEF election with respect to the indirectly held CFC. In addition, the U.S. dollar value of gain realised by the U.S. Holder on the sale by the Issuer of the CFC, and the U.S. dollar value of gain realised by the U.S. Holder on the sale by the U.S. Holder of its Subordinated Notes (as described below), generally will be treated as ordinary income to the extent of the U.S. Holder's *pro rata* share of the CFC's current and accumulated earnings and profits, reduced by any amounts previously taxed pursuant to the CFC rules. U.S. Holders should consult their own tax advisors regarding the tax issues associated with such investments in light of their own individual circumstances.

Phantom Income. U.S. Holders may be subject to U.S. federal income tax on the amounts that exceed the distributions they receive on the Subordinated Notes. For example, if the Issuer is a CFC and a U.S. Holder is a 10 per cent. United States shareholder with respect to the Issuer, or a U.S. Holder makes a QEF election with respect to the Issuer, the U.S. Holder will be subject to federal income tax with respect to its share of the Issuer's income and gain (to the extent of the Issuer's "earnings and profits"), which may exceed the Issuer's distributions. It is expected that the Issuer's income and gain (and earnings and profits) will exceed cash distributions with respect to (i) debt instruments that were issued with OID and are held by the Issuer and (ii) the acquisition at a discount of the Rated Notes by the Issuer (including by reason of a Refinancing or any deemed exchange that occurs for U.S. federal income tax purposes as a result of a modification of the Trust Deed). U.S. Holders should consult their tax advisors regarding the timing of income and gain on the Subordinated Notes.

Distributions. The treatment of actual distributions of cash on the Subordinated Notes will vary depending on whether a U.S. Holder has made a timely QEF election with respect to the Issuer (as described above). See "Investment in a Passive Foreign Investment Company." If a timely QEF election has been made, distributions should be allocated first to amounts previously taxed pursuant to the QEF election (or pursuant to the CFC rules, if applicable) and to this extent will not be taxable to such U.S. Holder. Distributions in excess of such previously taxed amounts will be treated first as a nontaxable return of capital, to the extent of the U.S. Holder's adjusted tax basis in the Subordinated Notes (as described below under "*Sale, Redemption, or Other Disposition*"), and then as a disposition of a portion of the Subordinated Notes. In addition, a U.S. Holder will recognise exchange gain or loss with respect to amounts previously taxed pursuant to the QEF election (or pursuant to the CFC rules, if applicable) equal to the difference, if any, between the U.S. dollar value of the distribution on the date received and the U.S. dollar value of the previously taxed amount. Any exchange gain or loss will generally be treated as ordinary income or loss.

If a U.S. Holder has not made a timely QEF election with respect to the Issuer then, except to the extent that distributions are attributable to amounts previously taxed pursuant to the CFC rules, some or all of any distributions with respect to the Subordinated Notes may constitute Excess Distributions, taxable as described above under the heading "*Investment in a Passive Foreign Investment Company*". In addition, distributions in excess of a U.S. Holder's adjusted tax basis in the Subordinated Notes would be treated as a disposition of a portion of the Subordinated Notes and subject to an additional tax reflecting a deemed interest charge, as described below under "—*Sale, Redemption, or Other Disposition*".

Distributions on the Subordinated Notes will not be eligible for the dividends received deduction, and will not qualify as "qualified dividend income."

Sale, Redemption, or Other Disposition. In general, a U.S. Holder of Subordinated Notes will recognise gain or loss upon the sale, redemption, or other disposition of the Subordinated Notes (including a distribution that is treated as a disposition of the Subordinated Notes, as described above under "*Distributions*") equal to the difference between the U.S. dollar value of the amount realised and the U.S. Holder's adjusted tax basis in the Subordinated Notes. The U.S. dollar value of the amount realised generally is based on the euro-to-U.S. dollar spot exchange rate on the date of the disposition. However, if the Subordinated Notes are treated under applicable Treasury regulations as stock or securities traded on an established securities market and the U.S. Holder uses the cash method of accounting, then the U.S. dollar value of the amount realised is based instead on the euro-to-U.S. dollar spot exchange rate on the settlement date for the sale. U.S. Holders that use the accrual method of accounting also may elect to use the settlement date valuation, provided that they apply it consistently from year to year.

A U.S. Holder's tax basis in its Subordinated Notes initially will equal the U.S. dollar value of the amount paid by the U.S. Holder for the Subordinated Notes, determined under rules analogous to the rules for determining the U.S. dollar value of the amount realised. The U.S. Holder's tax basis in the Subordinated Notes will be increased by amounts taxable to the U.S. Holder by reason of any QEF election, or by reason of the CFC rules, as applicable, and decreased by the U.S. dollar value of actual distributions by the Issuer that are deemed to consist of such previously taxed amounts or are treated as a nontaxable return of capital, as described above under "Distributions".

If the U.S. Holder has made a timely QEF election with respect to the Issuer, then, except to the extent that the Issuer is treated as a CFC and the U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, gain or loss upon the sale, redemption, or other disposition of the Subordinated Notes generally will be treated as foreign currency exchange gain or loss, and taxable as ordinary income or loss, to the extent of the positive or negative change in the U.S. dollar value of any amounts previously taxed pursuant to the QEF election from the date of each deemed distribution pursuant to the election (based on the euro-to-U.S. dollar spot exchange rate on that date) to the date of the disposition. Any gain or loss in excess of foreign currency exchange gain or loss will be capital gain or loss, and generally will be long-term capital gain or loss if the U.S. Holder has held the

Subordinated Notes for more than one year at the time of the disposition. In certain circumstances, U.S. Holders who are individuals may be entitled to preferential tax rates for net long-term capital gains; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited.

If a U.S. Holder does not make a timely QEF election with respect to the Issuer as described above and is not subject to the CFC rules, any gain realised on the sale, redemption, or other disposition of a Subordinated Note (or any gain deemed to accrue prior to the time a non-timely QEF election is made) will be taxed as ordinary income and subject to an additional tax reflecting a deemed interest charge under the special tax rules described above. See "Investment in a Passive Foreign Investment Company."

If the Issuer is treated as a CFC and a U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, then any gain or loss realised by the U.S. Holder upon a sale, redemption, or other disposition of the Subordinated Notes, other than gain or loss subject to the PFIC rules, if applicable, generally will be treated as foreign currency exchange gain or loss, and taxable as ordinary income or loss, to the extent of the positive or negative change in the U.S. dollar value of any amounts previously taxed pursuant to the CFC rules from the date of each deemed distribution pursuant to the CFC rules (based on the euro-to-U.S. dollar spot exchange rate on that date) to the date of the disposition. Any gain in excess of foreign currency exchange gain will be treated as ordinary income to the extent of the U.S. dollar value of the U.S. Holder's *pro rata* share of the Issuer's previously untaxed earnings and profits.

In addition, as described above under "Indirect Interests in PFICs and CFCs," the U.S. dollar value of any gain attributable to interests in PFICs or CFCs owned by the Issuer may be treated as ordinary income to a U.S. Holder upon the sale, redemption, or other disposition of the U.S. Holder's Subordinated Notes.

Receipt of Euro. U.S. Holders will have a tax basis in any euro received in respect of the Notes on a sale, redemption, or other disposition of the Notes equal to the U.S. dollar value of the euro on that date. Any gain or loss recognised on a sale, exchange, or other disposition of those euro generally will be ordinary income or loss. A U.S. Holder that converts the euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

Transfer and Information Reporting Requirements. A U.S. Holder that purchases the Subordinated Notes for cash will be required to file an IRS Form 926 or similar form with the IRS if (i) such person is treated as owning, directly or by attribution, immediately after the transfer, at least 10 per cent. by vote or value of the Issuer or (ii) the amount of cash transferred by such person (or any related person) to the Issuer during the 12-month period ending on the date of such transfer exceeds $100,000.

A U.S. Holder that is treated as owning (actually or constructively) at least 10 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes may be required to file an information return on IRS Form 5471, and provide additional information regarding the Issuer annually on IRS Form 5471 if it is treated as owning (actually or constructively) more than 50 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes.

In addition, U.S. Holders generally will be required to file an annual PFIC report.

U.S. Holders that fail to comply with these reporting requirements may be subject to adverse tax consequences, including a "tolling" of the statute of limitations with respect to their U.S. tax returns. U.S. Holders should consult their tax advisors with respect to these and any other reporting requirements that may apply with respect to their acquisition or ownership of the Subordinated Notes.

Specified Foreign Financial Asset Reporting

Certain U.S. Holders may be subject to reporting obligations with respect to their Notes if they do not hold their Notes in an account maintained by a financial institution and the aggregate value of their Notes and certain other "specified foreign financial assets" (applying certain attribution rules) exceeds

$50,000. Significant penalties can apply if a U.S. Holder is required to disclose its Notes and fails to do so.

3.8% Medicare on "Net Investment Income"

U.S. Holders that are individuals or estates and certain trusts are subject to an additional 3.8 per cent. "Medicare" tax on all or a portion of their "net investment income," or "undistributed net investment income" in the case of an estate or trust, as such terms are defined in the Code, which may include any income or gain with respect to the Notes, to the extent of their net investment income or undistributed net investment income (as the case may be) that, when added to their other modified adjusted gross income, exceeds $200,000 for an unmarried individual, $250,000 for a married taxpayer filing a joint return (or a surviving spouse), $125,000 for a married individual filing a separate return, or the dollar amount at which the highest tax bracket begins for an estate or trust (which, in 2016, is $12,400). The 3.8 per cent. Medicare tax is determined in a different manner than the regular income tax and special rules apply with respect to the PFIC and CFC rules described above. U.S. Holders should consult their advisors with respect to the 3.8 per cent. Medicare tax.

FBAR Reporting

A U.S. Holder of Subordinated Notes (or any Class of Notes that are treated as equity in the Issuer for U.S. federal income tax purposes) may be required to file FinCEN Form 114 with respect to foreign financial accounts in which the Issuer has a financial interest if the U.S. Holder holds more than 50 per cent. of the aggregate outstanding principal amount of such Notes or is otherwise treated as owning more than 50 per cent. of the total value or voting power of the Issuer's outstanding equity.

Reportable Transactions

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

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

In general, payments on the Notes to a Non-U.S. Holder that provides appropriate tax certifications to the Issuer and gain realised on the sale, exchange or retirement of the Notes by the Non-U.S. Holder will not be subject to U.S. federal income or withholding tax unless (i) such income is effectively connected with a trade or business conducted by such Non-U.S. Holder in the United States, or (ii) in the case of gain, such Non-U.S. Holder is a nonresident alien individual who holds the Notes as a capital asset and is present in the United States for more than 182 days in the taxable year of the sale and certain other conditions are satisfied.

Information Reporting and Backup Withholding

Under certain circumstances, the Code requires "information reporting" annually to the IRS and to each holder, and "backup withholding", with respect to certain payments made on or with respect to the Notes. Backup withholding will apply to a U.S. Holder only if the U.S. Holder (i) fails to furnish its Taxpayer Identification Number ("**TIN**") which, for an individual, would be his or her Social Security Number, (ii) furnishes an incorrect TIN, (iii) is notified by the IRS that it has failed to properly report payments of interest and dividends, or (iv) under certain circumstances, fails to certify, under penalties of perjury, that it has furnished a correct TIN and has not been notified by the IRS that it is subject to backup withholding for failure to report interest and dividend payments. The exemption generally is available to U.S. Holders that provide a properly completed IRS Form W-9 (or applicable successor form) to the Trustee or other paying agent.

A Non-U.S. Holder that provides to the Trustee or other paying agent an applicable IRS Form W-8 (or applicable successor form), together with all appropriate attachments, signed under penalties of

perjury, identifying the Non-U.S. Holder and stating that the Non-U.S. Holder is not a United States person, will not be subject to IRS reporting requirements and U.S. backup withholding.

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

Backup withholding is not an additional tax and may be refunded (or credited against the holder's U.S. federal income tax liability, if any), provided that certain required information is furnished. The information reporting requirements may apply regardless of whether withholding is required. Copies of the information returns also may be made available to the tax authorities in the country in which a Non-U.S. Holder is a resident under the provisions of an applicable income tax treaty or agreement.

FATCA

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income paid on certain of its assets, and after 31 December 2018, on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into between the United States and Ireland, the Issuer will not be subject to withholding under FATCA if it complies with Irish regulations that require the Issuer to provide the name, address, and taxpayer identification number of, and certain other information with respect to, certain Holders of Notes to the Office of the Revenue Commissioners of Ireland, which would then provide this information to the IRS. There can be no assurance that the Issuer will be able to comply with these regulations. Moreover, the intergovernmental agreement or the Irish implementing regulations could be amended to require the Issuer to withhold on "passthru" payments to Holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

If a Holder fails to provide the Issuer or its agents with any correct, complete and accurate information that may be required for the Issuer to comply with FATCA and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer, or if the Holder's ownership of any Notes would otherwise cause the Issuer to be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise distributable to the Holder, to compel the Holder to sell its Notes, and, if the Holder does not sell its Notes within 10 business days after notice from the Issuer, to sell the Holder's Notes on behalf of the Holder.

Future Legislation and Regulatory Changes Affecting Noteholders

Future legislation, regulations, rulings or other authority could affect the federal income tax treatment of the Issuer and Noteholders. The Issuer cannot predict whether and to what extent any such legislative or administrative changes could change the tax consequences to the Issuer and to the Noteholders. Prospective Noteholders should consult their tax advisors regarding possible legislative and administrative changes and their effect on the federal tax treatment of the Issuer and their investment in the Notes.

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

CERTAIN ERISA CONSIDERATIONS

ERISA imposes certain requirements on "employee benefit plans" subject thereto including entities (such as collective investment funds, insurance company separate accounts and some insurance company general accounts) the underlying assets of which include the assets of such plans (collectively, "**ERISA Plans**"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of prudence, diversification and investments being made in accordance with the documents governing the plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan, as well as assets of those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts and so-called "Keogh" plans, and entities the underlying assets of which include the assets of such plans (together with ERISA Plans, "**Plans**") and certain persons (referred to as "parties in interest" under ERISA or "disqualified persons" under the Code (collectively, "**Parties in Interest**") and each a "**Party in Interest**")) having certain relationships to such Plans, unless a statutory or administrative exception or exemption is applicable to the transaction. A Party in Interest who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and the transaction may have to be rescinded at significant cost to the Issuer.

Governmental plans, certain church plans and certain non-U.S. plans, while not subject to the fiduciary responsibility or prohibited transaction provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to substantially similar rules under Federal, state, local or non-U.S. laws or regulations, and may be subject to the prohibited transaction rules of Section 503 of the Code.

Under ERISA and a regulation issued by the United States Department of Labor (29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA, the "**Plan Asset Regulation**"), if a Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act, the Plan's assets are deemed to include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established (a) that the entity is an "operating company," as that term is defined in the Plan Asset Regulation, or (b) that less than 25 per cent. of the total value of each class of equity interest in the entity, disregarding the value of any equity interests held by persons (other than Benefit Plan Investors) with discretionary authority or control over the assets of the entity or who provide investment advice for a fee with respect to such assets (such as the Collateral Manager), and their respective Affiliates (each a "**Controlling Person**"), is held by Benefit Plan Investors (the "**25 per cent. Limitation**") A "**Benefit Plan Investor**" means (1) an employee benefit plan (as defined in Section 3(3) of ERISA), subject to the provisions of part 4 of Subtitle B of Title I of ERISA, (2) a plan to which Section 4975 of the Code applies, or (3) any entity whose underlying assets include plan assets by reason of such an employee benefit plan's or plan's investment in such entity.

If the underlying assets of the Issuer are deemed to be Plan assets, the obligations and other responsibilities of Plan sponsors, Plan fiduciaries and Plan administrators, and of Parties in Interest, under Parts 1 and 4 of Subtitle B of Title I of ERISA and Section 4975 of the Code, as applicable, may be expanded, and there may be an increase in their liability under these and other provisions of ERISA and the Code. In addition, various providers of fiduciary or other services to the entity, and any other parties with authority or control with respect to the Issuer, could be deemed to be Plan fiduciaries or otherwise parties in interest or disqualified persons by virtue of their provision of such services (and there could be an improper delegation of authority to such providers).

The Plan Asset Regulation defines an "**equity interest**" as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and that has no substantial equity features. Although it is not free from doubt, the Class A Notes, Class B Notes, Class C Notes and Class D Notes offered hereby will be treated by the Issuer as indebtedness with no substantial equity features for purposes of ERISA. However, the characteristics of the Class E Notes, the Class F Notes and the Subordinated Notes for purposes of the Plan Asset Regulation are less certain. The Class E Notes, the Class F Notes and the Subordinated Notes may be considered "equity interests" for purposes of the Plan Asset Regulation. Accordingly, the Issuer intends to limit investments by Benefit Plan Investors in such Class E Notes, Class F Notes and Subordinated Notes. In reliance on representations made by investors in the Class E Notes, the Class F Notes and the Subordinated Notes, the Issuer intends to limit investment by Benefit Plan Investors in the Class E Notes, the Class F Notes and the Subordinated Notes to less than 25 per cent. of the total value of each of the Class E Notes, the Class F Notes and the Subordinated Notes at all times (excluding for purposes of such calculation Class E Notes, Class F Notes and Subordinated Notes held by a Controlling Person). Each prospective purchaser (including a transferee) of a Class E Note, a Class F Note or a Subordinated Note will be required or deemed to make certain representations regarding its status as a Benefit Plan Investor and Controlling Person and other ERISA matters as described under the "Transfer Restrictions" section of this Prospectus. No Class E Notes, Class F Notes or Subordinated Notes will be sold or transferred to purchasers that have represented that they are Benefit Plan Investors or Controlling Persons to the extent that such sale may result in Benefit Plan Investors owning 25 per cent. or more of the total value of the Class E Notes, the Class F Notes or the Subordinated Notes (determined separately by class and in accordance with Section 3(42) of ERISA, the Plan Asset Regulation and the Trust Deed). Except as otherwise provided by the Plan Asset Regulation, each Class E Note, Class F Note or Subordinated Note held by persons that have represented that they are Controlling Persons will be disregarded and will not be treated as outstanding for purposes of determining compliance with such 25 per cent. limitation.

It is possible that an investment in the Notes by a Benefit Plan Investor (or with the use of the assets of a Benefit Plan Investor) could be treated as a prohibited transaction under ERISA and/or Section 4975 of the Code. Such a prohibited transaction, however, may be subject to a statutory or administrative exemption. Even if an exemption were to apply, such exemption may not, however, apply to all of the transactions that could be deemed prohibited transactions in connection with an investment in the Notes by a Benefit Plan Investor.

Each of the Issuer, the Placement Agent, the Collateral Manager, or their respective Affiliates may be the sponsor of, or investment adviser with respect to one, or more Plans. Because such parties may receive certain benefits in connection with the sale of the Notes to such Plans, whether or not the Notes are treated as equity interests in the Issuer, the purchase of such Notes using the assets of a Plan over which any of such parties has investment authority might be deemed to be a violation of the prohibited transaction rules of ERISA and/or Section 4975 of the Code for which no exemption may be available. Accordingly, the Notes, may not be acquired using the assets of any Plan if any of the Issuer, the Placement Agent, the Collateral Manager or their respective affiliates has investment authority with respect to such assets (except to the extent (if any) that a favourable statutory or administrative exemption or exception applies or the transaction is not otherwise prohibited).

It should be noted that an insurance company's general account may be deemed to include assets of Plans under certain circumstances, e.g., where a Plan purchases an annuity contract issued by such an insurance company, based on the reasoning of the United States Supreme Court in John Hancock Mutual Life Ins. Co. v. Harris Trust and Savings Bank, 510 U.S. 86 (1993). An insurance company considering the purchase of Notes with assets of its general account should consider such purchase and the insurance company's ability to make the representations described above in light of John Hancock Mutual Life Ins. Co. v. Harris Trust and Savings Bank, Section 401(c) of ERISA and a regulation promulgated by the U.S. Department of Labor under that Section of ERISA, 29 C.F.R. section 2550.401c-1.

If you are a purchaser or transferee of a Class A Note, Class B Note, Class C Note or Class D Note or any interest in such Note, you will be deemed to have represented, warranted and agreed that (i) either (A) you are not and are not acting on behalf of (and for so long as you hold any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code ("**Other Plan Law**"), and no part of the assets to be used by you to acquire or hold such Note or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan, or (B) your acquisition, holding or disposition of such Note (or interests therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of a governmental, church, non-U.S. or other plan, a non-exempt violation of any Other Plan Law, and (ii) you will not sell or transfer such Note (or interests therein) to a transferee acquiring such Note (or interests therein) unless the transferee makes the foregoing representations, warranties and agreements described in clause (i) hereof.

If you are a purchaser or transferee of a Class E Note, Class F Note, or Subordinated Note, (i) you will be deemed to represent, warrant and agree that (A) you are not, and are not acting on behalf of (and for so long as you hold any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless you receive the written consent of the Issuer and provide an ERISA certificate (substantially in the form of Annex A (Form of ERISA Certificate)) to the Issuer as to your status as a Benefit Plan Investor or Controlling Person and (B) (1) if you are, or are acting on behalf of, a Benefit Plan Investor, your acquisition, holding and disposition of such Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (2) if you are a governmental, church, non-U.S. or other plan, (a) you are not, and for so long as you hold such 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 any interest therein) by virtue of its interest and thereby subject the Issuer or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to Other Plan Law ("**Similar Law**") and (b) your acquisition, holding and disposition of such Note will not constitute or result in a non-exempt violation of any Other Plan Law and (ii) you will agree to certain transfer restrictions and mandatory transfer provisions regarding your interest in such Note.

No transfer of an interest in the Class E Notes, Class F Notes or Subordinated Notes will be permitted or recognised if it would cause the 25 per cent. Limitation described above to be exceeded with respect to the Class E Notes, Class F Notes or Subordinated Notes.

Any Plan fiduciary considering whether to acquire a Note on behalf of a Plan or an employee benefit plan not subject to ERISA or Section 4975 of the Code should consult with its counsel regarding the potential consequences of such investment, the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code and/or similar provisions of Other Plan Law, and the scope of any available exemption relating to such investment.

The sale of Notes to a Plan or an employee benefit plan not subject to ERISA or Section 4975 of the Code is in no respect a representation or warranty by the Issuer, or any other person that this investment meets all relevant legal requirements with respect to investments by Plans or such other plans generally or any particular plan, that any prohibited transaction exemption would apply to the acquisition, holding, or disposition of this investment by such plans in general or any particular plan, or that this investment is appropriate for such plans generally or any particular plan.

PLAN OF DISTRIBUTION

Subscription and Placement

Goldman Sachs International (in its capacity as placement agent, the "**Placement Agent**") has agreed with the Issuer, subject to the satisfaction of certain conditions, to place all Classes of Notes with the option to further subscribe and pay for some or all of each Class of Notes, in each case pursuant to the Placement Agreement, at the issue price of: 100.00 per cent. in the case of the Class A-1 Notes, 100.00 per cent. in the case of the Class A-2 Notes, 100.00 per cent. in the case of the Class B-1 Notes, 100.00 per cent. in the case of the Class B-2 Notes, 100.00 per cent. in the case of the Class C Notes, 100.00 per cent. in the case of the Class D Notes, 94.10 per cent. in the case of the Class E Notes, 84.95 per cent. in the case of the Class F Notes and 92.50 per cent. in the case of the Subordinated Notes (in each case less placement fees to be agreed between the Issuer and the Placement Agent). The Placement Agreement entitles the Placement Agent to terminate it in certain circumstances prior to payment being made to the Issuer. On the Issue Date, the Placement Agent will re-sell the Retention Notes to the Retention Holder.

It is a condition of the issue of the Notes of each Class that the Notes of each other Class be issued in the following principal amounts: Class A-1 Notes: €260,800,000, Class A-2 Notes: €10,600,000, Class B-1 Notes: €47,600,000 Class B-2 Notes: €12,200,000, Class C Notes: €25,900,000, Class D Notes: €23,700,000, Class E Notes: €30,400,000, Class F Notes: €12,900,000 and Subordinated Notes: €55,100,000. The Issuer has agreed to indemnify the Placement Agent, the Collateral Manager, the Collateral Administrator, the Trustee and certain other participants against certain liabilities or to contribute to payments they may be required to make in respect thereof.

No action has been or will be taken by the Issuer, the Placement Agent or the Retention Holder that would permit a public offering of the Notes or possession or distribution of this Prospectus or any other offering material in relation to the Notes in any jurisdiction where action for the purpose is required. No offers, sales or deliveries of any Notes, or distribution of this Prospectus or any other offering material relating to the Notes, may be made in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer or the Placement Agent.

The Notes have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. Persons or to U.S. Residents except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act and in the manner so as not to require the registration of the Issuer as an "investment company" pursuant to the Investment Company Act.

The Regulation S Notes of each Class (including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class) will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

The Rule 144A Notes of each Class (including, where applicable, the CM Voting Notes, the CM Non-Voting Exchangeable Notes and the CM Non-Voting Notes of such Class) will be issued in minimum denominations of €250,000 and integral multiples of €1,000 in excess thereof.

Any offer or sale of Rule 144A Notes in reliance on Rule 144A will be made by broker dealers who are registered as such under the Exchange Act. After the Notes are released for sale, the offering price and other selling terms may from time to time be varied by the Placement Agent.

The Placement Agent has acknowledged and agreed that it will not offer, sell or deliver any Regulation S Notes to, or for the account or benefit of, any U.S. Person or U.S. Resident as part of their distribution at any time and that it will send to each distributor, dealer, or person receiving a selling commission, fee or other remuneration to which it sells Regulation S Notes a confirmation or

other notice setting forth the prohibition on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, any U.S. Person or U.S. Resident.

This Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes and for the listing of the Notes of each Class on the Main Securities Market. The Issuer and the Placement Agent reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to place and/or sell less than the principal amount of Notes which may be offered. This Prospectus does not constitute an offer to any person in the United States or to any U.S. Person. Distribution of this Prospectus to any such U.S. Person or to any person within the United States, other than in accordance with the procedures described above, is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

General

The Placement Agent shall comply with all applicable securities laws and regulations in jurisdictions in force known by it, or which reasonably should have been known by it, in any jurisdiction in which it purchases, offers, sells or delivers Notes or this Prospectus or any other offering material and will obtain any consents, approvals or permissions required by it for such purchase, offer, sale or delivery by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject. This Prospectus does not constitute and may not be used for or in connection with any offer or solicitation by any person in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom such offer or solicitation is unlawful. The distribution of this Prospectus and the offering and sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Prospectus comes are required by the Issuer and the Placement Agent to inform themselves of and observe any such restrictions.

The Placement Agent has also agreed to comply with the following selling restrictions:

European Economic Area

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

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

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

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

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

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

Australia

Neither this Prospectus nor any other prospectus or disclosure document (as defined in the Corporations Act 2001) in relation to the Notes has been or will be lodged with the Australian Securities and Investments Commission. The Placement Agent has therefore represented and agreed that:

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

(b) no recommendation to acquire, offer or invitation for issue or sale, offer or invitation to arrange the issue or sale, or issue or sale, has been or will be made to a 'retail client' (as defined in Section 761G of the Corporations Act and applicable regulations) in Australia. This Prospectus will only be provided to 'professional investors' as defined in the Corporations Act.

Austria

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

Bahrain

This Prospectus has not been approved by the Central Bank of Bahrain which takes no responsibility for its contents. The Placement Agent has represented and agreed that no offer to the public to purchase the Notes will be made in the Kingdom of Bahrain and this Prospectus is intended to be read by the addressee only and will not be passed to, issued to, or shown to the public generally.

Belgium

The offering of Notes in this Prospectus has not been and will not be notified to the Belgian Financial Services and Markets Authority ("*Autorité des services et marchés financiers*" / "*Autoriteit voor Financiële Diensten en Markten*") nor has this Prospectus been or will it be approved by the Belgian Financial Services and Markets Authority.

The Notes shall not, whether directly or indirectly, be offered, sold, transferred or delivered in Belgium, as part of their initial distribution or at any time thereafter, by way of public offering in Belgium except under the exemptions provided in Article 3§2 of the Belgian Law of 16 June 2006 on the public offering of securities and the admission of securities to trading on a regulated market, as amended (the "**Belgian Prospectus Law**"):

(a) to qualified investors within the meaning of Article 10 of the Belgian Prospectus Law; or

(b) when addressed on the Belgian territory, to less than 150 natural persons or legal entities which are not qualified investors; or

(c) when it relates to an offer of securities requiring a total investment of at least EUR 100,000 per investor, for each separate offer; or

(d) when it relates to an offer of securities with the denomination per unit of at least EUR 100,000; or

(e) when it relates to an offer of securities with a total transaction value in the European Economic Area of less than EUR 100,000, this limit being calculated over a period of 12 months.

Each investor who in Belgium acquires Notes shall be taken by so doing to have represented and warranted to the Issuer that it is a qualified investor and/or that it has complied with any other restrictions applicable in Belgium.

For the purposes of this provision, the expression ''public offering'' in relation to any securities in Belgium means the communication, in any form and by any means, presenting sufficient information on the terms of the offering and the offer of securities to be offered so as to enable an investor to decide to purchase or subscribe the offer of securities.

Canada

The Notes have not been, and will not be, qualified for sale under the securities laws of any province or territory of Canada and may not be offered, sold or delivered, directly or indirectly, in Canada or to, or for the benefit of, any resident thereof in contravention of the securities laws of any province or territory of Canada.

The Placement Agent has represented and agreed that it has not and will not offer, sell or deliver Notes, directly or indirectly, in Canada or to or for the benefit of residents of Canada, in contravention of the securities laws of any province or territory of Canada. The Placement Agent agrees to furnish upon request a certificate stating that it has complied with the restrictions described in this paragraph.

Cayman Islands

The Placement Agent has represented and agreed that it will not make any invitation to the public in the Cayman Islands to subscribe for the Notes.

Denmark

The Placement Agent has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any of the Notes to the public in Denmark unless in accordance with Chapter 6 or Chapter 12 of the Danish Notes Trading Act (Consolidated Act No. 883 of 9 August 2011, as amended from time to time) and the Danish Executive Order No. 223 of 10 March 2010 or the Danish Executive Order No. 222 of 10 March 2010, as amended from time to time, issued pursuant thereto.

For the purposes of this provision, an offer of the Notes in Denmark means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Finland

For selling restrictions in respect of Finland, please see "European Economic Area" above.

France

Neither this Prospectus nor any other offering material relating to the Notes has been submitted to the clearance procedures of the Autorité des Marchés Financiers ("**AMF**") or to the competent authority of another member state of the European Economic Area and subsequently notified to the AMF.

The Placement Agent has represented and agreed that:

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

(b) neither this Prospectus nor any other offering material relating to the Notes has been or will be:

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

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

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

  (i) to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*), in each case investing for their own account, all as defined in, and in accordance with, Articles l.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Code Monétaire et Financier ("**CMF**");

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

  (iii) in a transaction that, in accordance with Article l.411-2 of the CMF and Article 211-2 of the Règlement Général of the AMF, does not constitute a public offer.

Germany

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

Hong Kong

The contents of this Prospectus have not been reviewed by any regulatory authority in Hong Kong. The Placement Agent has therefore represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a 'structured products' as defined in the Securities and Futures Ordinance (cap. 571) of Hong Kong) other than (a) to 'professional investors' as defined in the Securities and Futures Ordinance and any rules made under that ordinance ("**professional investors**"); or (b) in other circumstances which do not result in the document being a 'prospectus' as defined in the Companies Ordinance (cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that ordinance; and

(b) It has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any

advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the Securities Laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors.

Ireland

The Placement Agent has represented to and agreed with the Issuer that:

(a) it has not and will not underwrite the issue of, or place the Notes otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended), and any codes of conduct or rules issued in connection therewith and any conditions, requirements or other enactments imposed or approved by the Central Bank, and the provisions of the Investor Compensation Act 1998 (as amended);

(b) it has not and will not underwrite the issue of, or place the Notes otherwise than in conformity with the provisions of the Central Bank Acts 1942 – 2014 (as amended) and any codes of practice made under section 117(1) of the Central Bank Act 1989 (as amended) or any regulation made pursuant to Part 8 of the Central Bank (Supervision and Enforcement) Act 2013 (as amended);

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

(d) it has not and will not underwrite the issue of, or place, or do anything in Ireland in respect of the Notes otherwise than in conformity with the provisions of the European Union (Market Abuse) Regulations 2016, Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and any rules issued under section 1370 of the Companies Act by the Central Bank (including any successor legislation).

Israel

This Prospectus has not been approved by the Israeli Securities Authority and will only be distributed to Israeli residents in a manner that will not constitute 'an offer to the public' under sections 15 and 15a of the Israel Securities Law, 5728-1968 (the "**Securities Law**").

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

will fall within the private placement or other exemptions of the Securities Law and any applicable guidelines, pronouncements or rulings issued from time to time by the Israeli Securities Authority.

Italy

The sale of the Notes has not been cleared by CONSOB (the Italian Securities Exchange Commission) and the Bank of Italy pursuant to Italian Securities Legislation and, accordingly, the Placement Agent has represented and agreed that no Notes will be offered, sold or delivered, nor will copies of the Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(a) to qualified investors (*investitori qualificati*) as defined under Article 34, paragraph 1, letter b), of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation 11971/1999**"); or

(b) in circumstances which are exempted from the rules on offers of notes to be made to the public pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998 ("**Italian Financial Services Act**") and Article 34, first paragraph, of Regulation 11971/1999.

The Placement Agent acknowledges that any offer, sale or delivery of the Notes in the Republic of Italy or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy under (a) and (b) above must be:

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

(b) in compliance with any other applicable laws and regulations.

Investors should also note that in accordance with Article 100-BIS of the Italian Financial Services Act, where no exemption under (b) above applies, any subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the rules on offers of notes to be made to the public provided under the Financial Services Act and the regulation 11971/1999. Failure to comply with such rules may result, *inter alia*, in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the investors.

Japan

The Notes have not been and will not be registered pursuant to Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, the Placement Agent has represented and agreed that none of the Notes nor any interest therein will be offered or sold, directly or indirectly, in Japan or to, or for the benefit, of any Japanese person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For this purpose, a 'Japanese person' means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Monaco

The Notes may not be offered or sold, directly or indirectly, to the public in Monaco other than by a Monaco bank or a duly authorised Monegasque intermediary acting as a professional institutional investor which has such knowledge and experience in financial and business matters as to be capable of evaluating the risks and merits of an investment in the fund. Consequently, this Prospectus may only be communicated to banks duly licensed by the Autorité de Contrôle Prudentiel and fully

licensed portfolio management companies by virtue of Law No. 1.144 of July 26, 1991 and Law 1.338 of September 7, 2007, duly licensed by the Commission de Contrôle des Activités Financiers. Such regulated intermediaries may in turn communicate this Prospectus to potential investors.

Netherlands

The Notes may only be offered, sold or delivered in The Netherlands to qualified investors (as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), as amended from time to time) that do not qualify as "public" (within the meaning of the article 4(1) Capital Requirements Regulation (Regulation (EU) 575/2013) and the rules promulgated thereunder, as amended or any subsequent legislation replacing that regulation).

New Zealand

This offer of Notes does not constitute an 'offer of securities to the public' for the purposes of the Securities Act 1978 and, accordingly, there is neither a registered prospectus nor an investment statement available in respect of the offer. The Placement Agent has therefore represented and agreed that the Notes will only be offered to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money in accordance with the Securities Act 1978 and the Securities Regulations 2009.

Norway

The Placement Agent has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in Norway (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes to the public in Norway except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Notes to the public in Norway at any time:

(a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in notes;

(b) to professional investors as defined in Section 1 of Annex II to Directive 2004/29/EC (as implemented in Norway); or

(c) in any other circumstances which do not require the publication by the Issuer or any other entity of a document pursuant to Article 3 of the Prospectus Directive.

For the purposes of the provision above, the expression an 'offer of notes to the public' in relation to any Notes in Norway means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in Norway by any measure implementing the Prospectus Directive in Norway and the expression 'Prospectus Directive' means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in Norway.

Portugal

For selling restrictions in respect of Portugal, please see "European Economic Area" above and in addition:

The Placement Agent has agreed that:

(a) no document, circular, advertisement or any offering material in relation to the Notes has been or will be subject to approval by the Portuguese Securities Market Commission (*Comissão do Mercado de Valores Mobiliários*, the "**CMVM**");

(b) it has not, without the prior approval of the CMVM, directly or indirectly taken any action or offered, advertised, submitted to an investment gathering procedure, sold or delivered and will not, without the prior approval of the CMVM, directly or indirectly offer, advertise, submit to an investment gathering procedure, sell, re-sell, re-offer or deliver any Notes in circumstances which could qualify as a public offer (*oferta pública*) of securities pursuant to the Portuguese Securities Code (*Código dos Valores Mobiliários*, the "**CVM**");

(c) it has not, directly or indirectly, distributed and will not, directly or indirectly, distributed to the public in the Republic of Portugal this Prospectus or any document, circular, advertisement or any offering material in relation to the Notes, without the prior approval of the CMVM; and

(d) it will comply with all applicable provisions of the CVM and any applicable CMVM regulations and all relevant Portuguese laws and regulations, in any such case that may be applicable to it in respect of any offer or sales of Notes by it in the Republic of Portugal.

Qatar

The Placement Agent has represented and agreed that the Notes will only be offered to a limited number of investors who are willing and able to conduct an independent investigation of the risks involved in an investment in such Notes.

Saudi Arabia

This Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Saudi Arabian Capital Market Authority.

Singapore

This Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Placement Agent has represented and agreed that the Notes will not be offered or sold or made the subject of an invitation for subscription or purchase, nor will this Prospectus or any other offering document or material in connection with the offer or sale, or invitation for subscription or purchase of such Notes be circulated or distributed, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1) of the SFA or any person pursuant to Section 275(1a) of the SFA, and in each case in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where notes are subscribed or purchased under Section 275 by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

'securities' (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA or to any person where the transfer arises from an offer referred to in Section 275(1a) or Section 276(4)(i)(b) of the SFA;

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

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

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

South Korea

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

Spain

Neither the Notes nor the Prospectus have been approved or registered with the Spanish Notes Markets Commission (*Comision Nacional Del Mercado De Valores*). Accordingly, the Placement Agent has represented and agreed that the Notes will not be offered or sold in Spain except in circumstances which do not constitute a public offering of notes within the meaning of Article 30-BIS of the Spanish Notes Market Law of 28 July 1988 (LEY 24/1988, de 28 de Julio, del Mercado de Valores), as amended and restated, and supplemental rules enacted thereunder.

Sweden

For selling restrictions in respect of Sweden, please see European Economic Area" above.

Switzerland

The Placement Agent acknowledges that this Prospectus is being distributed in or from Switzerland to a small number of selected investors only and that the Notes are not being offered to the public in or from Switzerland, and neither this Prospectus, nor any other offering materials relating to the Notes may be distributed in Switzerland in connection with any such public offering.

Taiwan

The Notes may be made available outside Taiwan for purchase by investors residing in Taiwan (either directly or through properly licensed Taiwan intermediaries acting on behalf of such investors) but may not be offered or sold in Taiwan.

Turkey

The offered Notes have not been and will not be registered with the Turkish Capital Market Board (the "**CMB**") under the provisions of the Capital Market Law (Law No. 2499). Accordingly neither this Prospectus nor any other offering material related to the offering may be utilised in connection with any offering to the public within the Republic of Turkey without the prior approval of the CMB. However, according to Article 15(d)(ii) of the Decree No.32 on the Protection of the Value of Turkish Currency of the Central Bank of the Republic of Turkey there is no restriction on the purchase or sale of the offered Notes by residents of the Republic of Turkey, provided that: they purchase or sell such offered Notes in the financial markets outside of the Republic of Turkey; and such sale and purchase is made through banks and/or licensed brokerage institutions in the Republic of Turkey.

United Arab Emirates

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

United Kingdom

The Placement Agent has represented, warranted and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 as amended (the "**FSMA**")) in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

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

TRANSFER RESTRICTIONS

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

Rule 144A Notes

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

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

(a) The purchaser (i) is a QIB/QP, (ii) is aware that the sale of such Rule 144A Notes to it is being made in reliance on Rule 144A, (iii) is acquiring such Notes for its own account or for the account of a QIB/QP as to which the purchaser exercises sole investment discretion, and in a principal amount of not less than €250,000 for the purchaser and for each such account and (iv) will provide notice of the transfer restrictions described herein to any subsequent transferees.

(b) The purchaser understands that such Rule 144A Notes have not been and will not be registered under the Securities Act, and may be reoffered, resold or pledged or otherwise transferred only (i)(x) to a person whom the purchaser reasonably believes is a QIB/QP purchasing for its own account or for the account of a QIB/QP as to which the purchaser exercises sole investment discretion in a transaction meeting the requirements of Rule 144A or (y) to a non-U.S. person in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S and (ii) in accordance with all applicable securities laws including the securities laws of any state of the United States. The purchaser understands that the Issuer has not been registered under the Investment Company Act. The purchaser understands that before any interest in a Rule 144A Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Notes, the Registrar is required to receive a written certification from the purchaser (in the form provided in the Trust Deed) as to compliance with the transfer restrictions described herein. The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (b) shall be null and void *ab initio*.

(c) The purchaser is not purchasing such Rule 144A Notes with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act. The purchaser understands that an investment in the Rule 144A Notes involves certain risks, including the risk of loss of its entire investment in the Rule 144A Notes under certain circumstances. The purchaser has had access to such financial and other information concerning the Issuer and the Notes as it deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Rule 144A Notes, including an opportunity to ask questions of, and request information from, the Issuer.

(d) In connection with the purchase of the Rule 144A Notes: (i) none of the Issuer, the Placement Agent, the Trustee, the Collateral Manager or any Agent is acting as a fiduciary or financial or investment advisor for the purchaser; (ii) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations

(whether written or oral) of the Issuer, the Placement Agent, the Trustee, the Collateral Manager or any Agent other than in this Prospectus for such Notes and any representations expressly set out in a written agreement with such party; (iii) none of the Issuer, the Placement Agent, the Trustee, the Collateral Manager or any Agent has given to the purchaser (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Rule 144A Notes; (iv) the purchaser has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Trust Deed) based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer, the Placement Agent, the Trustee, the Collateral Manager or any Agent; (v) the purchaser has evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Rule 144A Notes with a full understanding of all of the risks thereof (economic and otherwise), and it is capable of assuming and willing to assume (financially and otherwise) those risks; and (vi) the purchaser is a sophisticated investor.

(e) The purchaser and each account for which the purchaser is acquiring such Rule 144A Notes is a QP. The purchaser is acquiring the Rule 144A Notes in a principal amount of not less than €250,000. The purchaser and each such account is acquiring the Rule 144A Notes as principal for its own account for investment and not for sale in connection with any distribution thereof. The purchaser and each such account: (i) was not formed for the specific purpose of investing in the Rule 144A Notes (except when each beneficial owner of the purchaser and each such account is a QP); (ii) to the extent the purchaser is a private investment company formed before April 30, 1996, the purchaser has received the necessary consent from its beneficial owners; (iii) is not a pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made; and (iv) is not a broker dealer that owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of unaffiliated issuers. Further, the purchaser agrees with respect to itself and each such account that: (x) it shall not hold such Rule 144A Notes for the benefit of any other person and shall be the sole beneficial owner thereof for all purposes; (y) it shall not sell participation interests in the Rule 144A Notes or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Rule 144A Notes; and (z) the Rule 144A Notes purchased directly or indirectly by it constitute an investment of no more than 40 per cent. of the purchaser's and each such account's assets (except when each beneficial owner of the purchaser and each such account is a QP). The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (e) will be of no force and effect, will be void *ab initio* and the Issuer will have the right to direct the purchaser to transfer its Rule 144A Notes to a Person who meets the foregoing criteria.

(f) In respect of a purchase or transfer of a Class A Note, Class B Note, Class C Note or Class D Note, or any interest in such Note, (i) either (A) it is not and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code ("**Other Plan Law**"), and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan, or (B) its acquisition, holding or disposition of such Note (or interests therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of a governmental, church,

non-U.S. or other Plan, a non-exempt violation of any Other Plan Law, and (ii) it will not sell or transfer such Note (or interests therein) to a transferee acquiring such Note (or interests therein) unless the transferee makes the foregoing representations, warranties and agreements described in clause (i) hereof.

(g) In respect of a purchase or transfer of a Class E Note, Class F Note or Subordinated Note, it will be deemed to represent, warrant and agree that (i) (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer and provides an ERISA certificate (substantially in the form of Annex A (*Form of ERISA Certificate*)) to the Issuer as to its status as a Benefit Plan Investor or Controlling Person and (B) (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (2) if it is a governmental, church, non-U.S. or other plan, (a) it is not, and for so long as it holds such Notes or interest therein will not be, subject to any federal, state, local non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to Other Plan Law ("**Similar Law**") and (b) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law and (ii) it will agree to certain transfer restrictions regarding its interest in such Notes.

(h) No transfer of an interest in the Class E Notes, the Class F Notes or the Subordinated Notes will be permitted or recognised if it would cause the 25 per cent. Limitation described above (as defined in "*Certain ERISA Considerations*" above) to be exceeded with respect to the Class E Notes, the Class F Notes or the Subordinated Notes.

(i) In respect of a purchase or transfer of a CM Voting Note, or any interest in such Note, the purchaser or transferee (i) understands that such Note carries a right to vote with respect to matters concerning the Collateral Manager as set out in the Conditions of the Notes and the Collateral Management Agreement and (ii) in the case of a transfer or exchange from a CM Non-Voting Exchangeable Note, shall be required to represent that it is not an affiliate of the relevant transferor.

(j) In respect of a purchase or transfer of a CM Non-Voting Exchangeable Note or a CM Non-Voting Note, or any interest in such Note, the purchaser or transferee understands that such Note does not carry a right to vote with respect to matters concerning the Collateral Manager as set out in the Conditions of the Notes.

(k) In respect of a purchase or transfer of a CM Non-Voting Note, the purchaser or transferee understands that such Note cannot be transferred or exchanged for a CM Non-Voting Exchangeable Note or a CM Voting Note at any time.

(l) The purchaser understands that pursuant to the terms of the Trust Deed, the Issuer has agreed that the Rule 144A Notes will be represented by one or more Rule 144A Global Certificates or Rule 144A Definitive Certificates, as applicable, and will bear the legend set out below. The Rule 144A Notes may not at any time be held by or on behalf of, within the United States, persons, or outside the United States, U.S. Persons that are not QIB/QPs. Before any interest in a Rule 144A Global Certificate may be offered, resold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate, the transferor will be required to provide the Issuer with a written certification (in the form provided in the Trust Deed) as to compliance with the transfer restrictions.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, AND IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. NEITHER U.S. PERSONS NOR U.S. RESIDENTS (AS DETERMINED FOR THE PURPOSES OF THE INVESTMENT COMPANY ACT ("**U.S. RESIDENTS**")) MAY HOLD AN INTEREST IN A REGULATION S GLOBAL CERTIFICATE OR A REGULATION S DEFINITIVE CERTIFICATE. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET OUT HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET OUT 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 ISSUER.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF) AN EMPLOYEE BENEFIT

PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD SUCH NOTE OR ANY INTEREST THEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING OR DISPOSITION OF SUCH NOTE (OR INTERESTS THEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER SUCH NOTE (OR INTERESTS THEREIN) TO AN ACQUIROR ACQUIRING SUCH NOTE (OR INTERESTS THEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET OUT IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND SUBORDINATED NOTES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS [CLASS E NOTE] [CLASS F NOTE] [SUBORDINATED NOTE] WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER AND PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR 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 PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED

TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "**PLAN ASSETS**" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THE [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] IN VIOLATION OF THE REQUIREMENTS SET OUT IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

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

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS C NOTES, THE CLASS D NOTES, THE CLASS E NOTES AND THE CLASS F NOTES*] [THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**") FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE ISSUER AT 2ND FLOOR, BEAUX LANE HOUSE, MERCER STREET LOWER, DUBLIN 2, IRELAND.]

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

QUORUM AND THE RESULT OF VOTING ON A CM REMOVAL RESOLUTION OR A CM REPLACEMENT RESOLUTION.]

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

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

(n) The purchaser will treat the Issuer and the Notes as described in the "Tax Considerations - Certain U.S. Federal Income Tax Considerations" section of the Prospectus for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law.

(o) The purchaser will timely furnish the Issuer or its agents with any tax forms or certifications (including, without limitation, IRS Form W-9, an applicable IRS Form W-8, or any successors to such IRS forms) that the Issuer or its agents may reasonably request (A) to permit the Issuer or its agents to make payments to the purchaser without, or at a reduced rate of, deduction or withholding, (B) to enable the Issuer or its agents to qualify for a reduced rate of withholding or deduction in any jurisdiction from or through which the Issuer or its agents receive payments, and (C) to enable the Issuer or its agents to satisfy reporting and other obligations under the Code and Treasury Regulations or under any other applicable law, and will update or replace any tax forms or certifications as appropriate or in accordance with their terms or subsequent amendments thereto. Each purchaser acknowledges that the failure to provide, update or replace any such tax forms or certifications may result in the imposition of withholding or back up withholding upon payments to such purchaser, or to the Issuer. Amounts withheld from payments to the purchaser by the Issuer or its agents that are, in their sole judgment, required to be withheld pursuant to applicable tax laws will be treated as having been paid to the purchaser by the Issuer.

(p) The purchaser will provide the Issuer or its agents with any correct, complete and accurate information and documentation that may be required for the Issuer to comply with FATCA and/or the CRS and to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer. In the event the purchaser fails to provide such information or documentation, or to the extent that its ownership of Notes would otherwise cause the Issuer to be subject to any tax under FATCA, (A) the Issuer or its agents are authorised to withhold amounts otherwise distributable to the purchaser as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel the purchaser to sell its Notes and, if such purchaser does not sell its Notes within 10 Business Days after notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any taxes incurred by the Issuer in connection with such sale) to such person as payment in full for such Notes. The Issuer may also assign each such Note a separate ISIN or other securities identifier in the Issuer's sole discretion. Each purchaser agrees that the Issuer, the Trustee or their agents or representatives may (1) provide any information and documentation concerning its investment in Notes to the Office of the Revenue Commissioners of Ireland, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA and/or the CRS.

(q) Each purchaser of Class E Notes, Class F Notes, or Subordinated Notes, if it is not a "United States person" (as defined in Section 7701(a)(30) of the Code), represents that either:

(i) it is not a bank (within the meaning of Section 881(c)(3)(A) of the Code);

(ii) after giving effect to its purchase of Notes, it (x) will not directly or indirectly own more than 33-1/3 per cent., by value, of the aggregate of the Notes within such Class and any other Notes that are ranked *pari passu* with or are subordinated to such Notes, and will not otherwise be related to the Issuer (within the meaning of Treasury regulations section 1.881-3) and (y) has not purchased the Notes in whole or in part to avoid any U.S. federal tax liability (including, without limitation, any U.S. withholding tax that would be imposed on payments on the Collateral Debt Obligations if the Collateral Debt Obligations were held directly by the purchaser); or

(iii) it has provided an IRS Form W-8ECI representing that all payments received or to be received by it from the Issuer are effectively connected with the conduct of a trade or business in the United States and includible in its gross income.

(r) Each purchaser of Subordinated Notes, if it owns more than 50 per cent. of the Subordinated Notes by value or is otherwise treated as a member of the Issuer's "expanded affiliated group" (as defined in Treasury regulations section 1.1471-5T(i) (or any successor provision)), represents that it will (A) confirm that any member of such expanded affiliated group (assuming that the Issuer is a "participating FFI" within the meaning of Treasury regulations section 1.1471-1T(b)(91) (or any successor provision)) that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury regulations promulgated thereunder is either a "participating FFI", a "registered deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471-4T(e) (or any successor provision), and (B) promptly notify the Issuer in the event that any member of such expanded affiliated group that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury regulations promulgated thereunder is not either a "participating FFI", a "registered deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471-4T(e) (or any successor provision), in each case except to the extent that the Issuer or its agents have provided the purchaser with an express waiver of this requirement.

(s) No purchaser of Subordinated Notes will treat any income with respect to its Subordinated Notes as derived in connection with the Issuer's active conduct of a banking, financing, insurance, or other similar business for purposes of Section 954(h)(2) of the Code.

(t) No purchase or transfer of a Class E Note, a Class F Note or a Subordinated Note will be recorded or otherwise recognised unless the purchaser or transferee has provided the Issuer with a certificate substantially in the form of Annex A hereto.

(u) The purchaser understands and acknowledges that the Issuer has the right under the Trust Deed to compel any Non-Permitted Holder or Non-Permitted ERISA Holder to sell its interest in the Notes, or may sell such interest in its Notes on behalf of such Non-Permitted Holder or Non-Permitted ERISA Holder.

(v) The purchaser acknowledges that the Issuer, the Placement Agent, the Arranger the Trustee, the Collateral Manager and the Collateral Administrator and their agents and Affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Regulation S Notes

Each purchaser of Regulation S Notes will be deemed to have made the representations set out in clauses (d), (f) through (k) (inclusive) and (n) through (v) (inclusive) above (except that references to Rule 144A Notes shall be deemed to be references to Regulation S Notes) and to have further represented and agreed as follows:

(a) The purchaser is located outside the United States and is not a U.S. Person.

(b) The purchaser understands that the Notes have not been and will not be registered under the Securities Act and that the Issuer has not registered and will not register under the Investment Company Act. It agrees, for the benefit of the Issuer, the Placement Agent and any of their Affiliates, that, if it decides to resell, pledge or otherwise transfer such Notes (or any beneficial interest or participation therein) purchased by it, any offer, sale or transfer of such Notes (or any beneficial interest or participation therein) will be made in compliance with the Securities Act and only (i) to a person (A) it reasonably believes is a QIB purchasing for its own account or for the account of a QIB and QP in a nominal amount of not less than €250,000 for it and each such account, in a transaction that meets the requirements of Rule 144A and takes delivery in the form of a Rule 144A Note and (B) that constitutes a QP; or (ii) to a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 (as applicable) under Regulation S.

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

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, AND IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. NEITHER U.S. PERSONS NOR U.S. RESIDENTS (AS DETERMINED FOR THE PURPOSES OF

THE INVESTMENT COMPANY ACT ("**U.S. RESIDENTS**")) MAY HOLD AN INTEREST IN A REGULATION S GLOBAL CERTIFICATE OR A REGULATION S DEFINITIVE CERTIFICATE. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET OUT HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE. TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHOULD BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET OUT IN THE TRUST DEED REFERRED TO HEREIN. PRINCIPAL OF THIS NOTE IS PAYABLE AS SET OUT 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 ISSUER.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF) AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD SUCH NOTE OR ANY INTEREST THEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING OR DISPOSITION OF SUCH NOTE (OR INTERESTS THEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER SUCH NOTES (OR INTERESTS THEREIN) TO AN ACQUIROR ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET OUT IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, THE CLASS F NOTES AND SUBORDINATED NOTES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS [CLASS E NOTE] [CLASS F NOTE] [SUBORDINATED NOTE] WILL BE DEEMED TO

REPRESENT, WARRANT AND AGREE THAT (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER AND PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR 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 PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "**PLAN ASSETS**" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THE [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] IN VIOLATION OF THE REQUIREMENTS SET OUT IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A [CLASS E NOTE] [CLASS F NOTE] [SUBORDINATED NOTE] OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE ISSUER WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES] TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING [CLASS E NOTES] [CLASS F

NOTES] [SUBORDINATED NOTES] (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS C NOTES, THE CLASS D NOTES, THE CLASS E NOTES AND THE CLASS F NOTES*] [THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**") FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE ISSUER AT 2ND FLOOR, BEAUX LANE HOUSE, MERCER STREET LOWER, DUBLIN 2, IRELAND.]

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

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

(d) The purchaser acknowledges that the Issuer, the Placement Agent, the Arranger, the Retention Holder, the Trustee, the Collateral Manager or the Collateral Administrator and their agents and Affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

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

(f) A transferor who transfers an interest in a Regulation S Note to a transferee who will hold the interest in the same form is not required to make any additional representation or certification.

RULE 17G-5 COMPLIANCE

The Issuer, in order to permit the Rating Agencies to comply with its obligations under Rule 17g-5 promulgated under the Exchange Act ("**Rule 17g-5**"), has agreed to post (or have its agent post) on a password-protected internet website (the "**Rule 17g-5 Website**"), at the same time such information is provided to the Rating Agencies, all information (which will not include any reports from the Issuer's independent public accountants) that the Issuer or other parties on its behalf, including the Trustee and the Collateral Manager, provide to the Rating Agencies for the purposes of determining the initial credit rating of the Rated Notes or undertaking credit rating surveillance of the Rated Notes; provided, however, that, prior to the occurrence of a Note Event of Default, without the prior written consent of the Collateral Manager no party other than the Issuer, the Trustee or the Collateral Manager may provide information to the Rating Agencies on the Issuer's behalf. On the Issue Date, the Issuer will engage The Bank of New York Mellon SA/NV, Dublin Branch, in accordance with the Collateral Management Agreement, to assist the Issuer in complying with certain of the posting requirements under Rule 17g-5 (in such capacity, the "**Information Agent**"). Any notices or requests to, or any other written communications with or written information provided to, the Rating Agencies, or any of its officers, directors or employees, to be given or provided to such Rating Agencies pursuant to, in connection with or related, directly or indirectly, to the Trust Deed, the Collateral Management Agreement, any transaction document relating thereto, the Portfolio or the Notes, will be in each case furnished directly to the Rating Agencies after a copy has been delivered to the Information Agent or the Issuer for posting to the Rule 17g-5 Website.

GENERAL INFORMATION

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg as follows:

	Regulation S		Rule 144A	
	Common Code	ISIN	Common Code	ISIN
Class A-1 CM Voting Notes	153138265	XS1531382650	153138273	XS1531382734
Class A-1 CM Non-Voting Exchangeable Notes	153138311	XS1531383112	153138354	XS1531383542
Class A-1 CM Non-Voting Notes	153138338	XS1531383385	153138281	XS1531382817
Class A-2 CM Voting Notes	153138389	XS1531383898	153138303	XS1531383039
Class A-2 CM Non-Voting Exchangeable Notes	153138419	XS1531384193	153138435	XS1531384359
Class A-2 CM Non-Voting Notes	153138290	XS1531382908	153138320	XS1531383203
Class B-1 CM Voting Notes	153138451	XS1531384516	153138362	XS1531383625
Class B-1 CM Non-Voting Exchangeable Notes	153138486	XS1531384862	153138516	XS1531385166
Class B-1 CM Non-Voting Notes	153138346	XS1531383468	153138397	XS1531383971
Class B-2 CM Voting Notes	153138427	XS1531384276	153138443	XS1531384433
Class B-2 CM Non-Voting Exchangeable Notes	153138605	XS1531386057	153138478	XS1531384789
Class B-2 CM Non-Voting Notes	153138460	XS1531384607	153138494	XS1531384946
Class C CM Voting Notes	153138508	XS1531385083	153138656	XS1531386560
Class C CM Non-Voting Exchangeable Notes	153138648	XS1531386487	153138664	XS1531386644
Class C CM Non-Voting Notes	153138524	XS1531385240	153138532	XS1531385323
Class D CM Voting Notes	153138559	XS1531385596	153138699	XS1531386990
Class D CM Non-Voting Exchangeable Notes	153138567	XS1531385679	153138575	XS1531385752
Class D CM Non-Voting Notes	153138672	XS1531386727	153138583	XS1531385836
Class E Notes	153138591	XS1531385919	153138702	XS1531387022
Class F Notes	153138613	XS1531386131	153138621	XS1531386214
Subordinated Notes	153138729	XS1531387295	153138630	XS1531386305

Listing

Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on the Main Securities Market. It is anticipated that listing will take place on or about

the Issue Date. There can be no assurance that any such approval will be granted or, if granted, that such listing will be maintained.

Expenses in relation to Admission to Trading

It is expected that the total expenses related to admission to trading will be approximately €19,691.20.

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Ireland (if any) in connection with the issue and performance of the Notes. The issue of the Notes has been authorised by resolution of the Board of Directors of the Issuer passed on 17 January 2017.

No Significant or Material Change

There has been no material adverse change in the financial position or prospects of the Issuer since its incorporation on 11 July 2016.

No Litigation

The Issuer is not involved, and has not been involved, in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had since the date of its incorporation a significant effect on the Issuer's financial position or profitability.

Since the date of its incorporation, the Issuer has not commenced operations other than in respect of entering into the Warehouse Arrangements in respect of the acquisition of certain assets to be comprised in the Portfolio on or prior to the Issue Date and has not produced accounts.

So long as any Note remains outstanding, copies of the most recent annual audited financial statements of the Issuer can be obtained at the specified offices of the Transfer Agents during normal business hours. The first financial statements of the Issuer will be in respect of the period from incorporation to 31 December 2017. The annual accounts of the Issuer will be audited. The Issuer will not prepare interim financial statements.

The Trust Deed requires the Issuer to provide written confirmation to the Trustee on an annual basis and otherwise promptly on request that no Note Event of Default or Potential Note Event of Default (as defined in the Trust Deed) or other matter which is required to be brought to the Trustee's attention has occurred.

Documents Available

Copies of the following documents may be inspected in electronic format (and, in the case of each of (e) and (f) below, will be available for collection free of charge) at the registered offices of Issuer during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes:

(a) the constitution of the Issuer;

(b) the Trust Deed (which includes the form of each Note of each Class);

(c) the Agency Agreement;

(d) the Collateral Management Agreement;

(e) each Monthly Report;

(f) each Payment Date Report; and

(g) the Retention Letter.

Enforceability of Judgments

The Issuer is a designated activity company incorporated under the laws of Ireland. None of the directors and officers of the Issuer are residents of the United States, and all or a substantial portion of the assets of the Issuer and such persons are located outside of the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon civil liability provisions of the securities laws of the United States or any State or territory within the United States.

As the United States is not a party to a convention with Ireland in respect of the enforcement of judgments, common law rules apply in order to determine whether a judgment of the United States courts is enforceable in Ireland. A judgment of the United States courts will be enforced by the courts of Ireland if the following general requirements are satisfied:

(a) the United States courts must have had jurisdiction in relation to the particular defendant according to Irish conflict of law rules (the submission to jurisdiction by the defendant would satisfy this rule); and

(b) the judgment must be final and conclusive and the decree must be final and unalterable in the court which pronounces it. A judgment can be final and conclusive even if it is subject to appeal or even if an appeal is pending. Where, however, the effect of lodging an appeal under the applicable law is to stay execution of the judgment, it is possible that, in the meantime, the judgment would not be actionable in Ireland.

However, the Irish courts may refuse to enforce a judgment of the United States courts which meets the above requirements for one of the following reasons:

(a) if the judgment is not for a definite sum of money;

(b) if the judgment was obtained by fraud;

(c) the enforcement of the judgment in Ireland would be contrary to natural or constitutional justice; or

(d) the judgment is contrary to Irish public policy or involves certain United States laws which will not be enforced in Ireland.

Foreign Language

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

GLOSSARY OF DEFINED TERMS

ANNEX A

FORM OF ERISA CERTIFICATE

The purpose of this ERISA Certificate (this "**Certificate**") is, among other things, to (i) endeavour to ensure that less than 25 per cent. of the total value of the [Class E Notes] [Class F Notes] [Subordinated Notes] issued by Oak Hill European Credit Partners V Designated Activity Company (the "**Issuer**") is held by (a) an employee benefit plan that is subject to the fiduciary responsibility provisions of Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), (b) a plan that is subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "**Code**") or (c) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in the entity (collectively, "**Benefit Plan Investors**"), (ii) obtain from you certain representations and agreements and (iii) provide you with certain related information with respect to your acquisition, holding or disposition of the [Class E Notes] [Class F Notes] [Subordinated Notes]. By signing this Certificate, you agree to be bound by its terms.

Please be aware that the information contained in this Certificate is not intended to constitute advice and the examples given below are not intended to be, and are not, comprehensive. You should contact your own counsel if you have any questions in completing this Certificate. Capitalised terms not defined in this Certificate shall have the meanings ascribed to them in the Trust Deed.

If a box is not checked, you are representing, warranting and agreeing that the applicable Section does not, and will not, apply to you.

1. ☐Employee Benefit Plans Subject to ERISA or the Code. We, or the entity on whose behalf we are acting, are an "employee benefit plan" within the meaning of Section 3(3) of ERISA that is subject to the fiduciary responsibility provisions of Title I of ERISA or a "plan" within the meaning of Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code.

   Examples: (i) tax qualified retirement plans such as pension, profit sharing and section 401(k) plans, (ii) welfare benefit plans such as accident, life and medical plans, (iii) individual retirement accounts or "IRAs" and "Keogh" plans and (iv) certain tax-qualified educational and savings trusts.

2. ☐Entity Holding Plan Assets. We, or the entity on whose behalf we are acting, are an entity or fund whose underlying assets include "plan assets" by reason of a Benefit Plan Investor's investment in such entity.

   Examples: (i) an insurance company separate account, (ii) a bank collective trust fund and (iii) a hedge fund or other private investment vehicle where 25 per cent. or more of the total value of any class of its equity is held by Benefit Plan Investors.

   If you check box 2, please indicate the maximum percentage of the entity or fund that will constitute "plan assets" for purposes of Title I of ERISA or Section 4975 of the Code: _____ per cent.

   AN ENTITY OR FUND THAT CANNOT PROVIDE THE FOREGOING PERCENTAGE HEREBY ACKNOWLEDGES THAT FOR PURPOSES OF DETERMINING WHETHER BENEFIT PLAN INVESTORS OWN LESS THAN 25 PER CENT. OF THE TOTAL VALUE OF THE [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES], 100 PER CENT. OF THE ASSETS OF THE ENTITY OR FUND WILL BE TREATED AS "PLAN ASSETS."

   ERISA and the regulations promulgated thereunder are technical. Accordingly, if you have any questions regarding whether you may be an entity described in this Section 2, you should consult with your counsel.

3. ☐Insurance Company General Account. We, or the entity on whose behalf we are acting, are an insurance company purchasing the [Class E Notes] [Class F Notes] [Subordinated Notes] with funds from our or their general account (i.e., the insurance company's corporate investment portfolio), whose assets, in whole or in part, constitute "plan assets" under Section 401(a) of ERISA for purposes of 29 C.F.R. Section 2510.3-101 as modified by Section 3(42) of ERISA (the "**Plan Asset Regulations**").

   If you check Box 3, please indicate the maximum percentage of the insurance company general account that will constitute "plan assets" under Section 401(a) of ERISA for purposes of conducting the 25 per cent. test under the Plan Asset Regulations: ____per cent. IF YOU DO NOT INCLUDE ANY PERCENTAGE IN THE BLANK SPACE, YOU WILL BE COUNTED AS IF YOU FILLED IN 100 PER CENT. IN THE BLANK SPACE.

4. ☐None of Sections (1) Through (3) Above Apply. We, or the entity on whose behalf we are acting, are a person that does not fall into any of the categories described in Sections (1) through (3) above. If, after the date hereof, any of the categories described in Sections (1) through (3) above would apply, we will promptly notify the Issuer of such change.

5. No Prohibited Transaction. If we checked any of the boxes in Sections (1) through (3) above, we represent, warrant and agree that our acquisition, holding and disposition of the [Class E Notes] [Class F Notes] [Subordinated Notes] do not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

6. Not Subject to Similar Law and No Violation of Other Plan Law. If we are a governmental, church, non-U.S. or other plan, we represent, warrant and agree that (a) we are not subject to any federal, state, local non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer or 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 prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code, and (b) our acquisition, holding and disposition of the [Class E Notes] [Class F Notes] [Subordinated Notes] do not and will not constitute or result in a non-exempt violation of any law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code.

7. ☐Controlling Person. We are, or we are acting on behalf of any of: (i) the Collateral Manager, (ii) any person that has discretionary authority or control with respect to the assets of the Issuer, (iii) any person who provides investment advice for a fee (direct or indirect) with respect to such assets or (iv) any "affiliate" of any of the above persons. "**Affiliate**" shall have the meaning set out in the Plan Asset Regulations. Any of the persons described in the first sentence of this Section 7 is referred to in this Certificate as a "**Controlling Person**."

   Note: We understand that, for purposes of determining whether Benefit Plan Investors hold less than 25 per cent. of the total value of the [Class E Notes] [Class F Notes] [Subordinated Notes] (determined separately by class), the [Class E Notes] [Class F Notes] [Subordinated Notes] held by Controlling Persons (other than Benefit Plan Investors) are required to be disregarded.

8. Compelled Disposition. We acknowledge and agree that:

   (i) if any representation that we made hereunder is subsequently shown to be false or misleading or our beneficial ownership otherwise causes a violation of the 25 per cent. Limitation, the Issuer may, promptly after such discovery, send notice to us demanding that we transfer our interest to a person that is not a Non-Permitted ERISA Holder within 10 days after the date of such notice;

(ii) if we fail to transfer our [Class E Notes] [Class F Notes] [Subordinated Notes], the Issuer shall have the right, without further notice to us, to sell our [Class E Notes] [Class F Notes] [Subordinated Notes] or our interest in the [Class E Notes] [Class F Notes] [Subordinated Notes] to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Holder on such terms as the Issuer may choose;

(iii) the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the [Class E Notes] [Class F Notes] [Subordinated Notes] and selling such securities to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion;

(iv) by our acceptance of an interest in the [Class E Notes] [Class F Notes] [Subordinated Notes], we agree to cooperate with the Issuer to effect such transfers;

(v) the proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to us; and

(vi) the terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and the Issuer shall not be liable to us as a result of any such sale or the exercise of such discretion.

9. Required Notification and Agreement. We hereby agree that we (a) will inform the Issuer of any proposed transfer by us of all or a specified portion of the [Class E Notes] [Class F Notes] [Subordinated Notes] to a Benefit Plan Investor or Controlling Person and (b) will not initiate any such transfer after we have been informed by the Issuer or the Transfer Agent in writing that such transfer would cause the 25 per cent. Limitation to be exceeded. We hereby agree and acknowledge that after the Issuer effects any permitted transfer of [Class E Notes] [Class F Notes] [Subordinated Notes] owned by us to a Benefit Plan Investor or a Controlling Person or receives notice of any such permitted change of status, the Issuer shall include such [Class E Notes] [Class F Notes] [Subordinated Notes] in future calculations of the 25 per cent. Limitation made pursuant hereto unless subsequently notified that such [Class E Notes] [Class F Notes] [Subordinated Notes] (or such portion), as applicable, would no longer be deemed to be held by Benefit Plan Investors or Controlling Persons.

10. Continuing Representation; Reliance. We acknowledge and agree that the representations, warranties and agreements contained in this Certificate shall be deemed made on each day from the date we make such representations, warranties and agreements through and including the date on which we dispose of our interests in the [Class E Notes] [Class F Notes] [Subordinated Notes]. We understand and agree that the information supplied in this Certificate will be used and relied upon by the Issuer to determine that Benefit Plan Investors own or hold less than 25 per cent. of the total value of the [Class E Notes] [Class F Notes] [Subordinated Notes] (determined separately by class) upon any subsequent transfer of the [Class E Notes] [Class F Notes] [Subordinated Notes] in accordance with the Trust Deed.

11. Further Acknowledgement and Agreement. We acknowledge and agree that (i) all of the representations, warranties and agreements contained in this Certificate are for the benefit of the Issuer, the Trustee, the Placement Agent 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 Placement Agent, the Collateral Manager, affiliates of any of the foregoing parties and to each of the foregoing parties' respective counsel for purposes of making the determinations described above and (iii) any acquisition or transfer of the [Class E Notes] [Class F Notes] [Subordinated Notes] by us that is not in accordance with the provisions of this Certificate shall be null and void from the beginning, and of no legal effect.

12. Future Transfer Requirements.

Transferee Letter and its Delivery. We acknowledge and agree that we may not transfer any [Class E Notes] [Class F Notes] [Subordinated Notes] to a Benefit Plan Investor or Controlling Person unless the Issuer has received a certificate substantially in the form of this Certificate. Any attempt to transfer in violation of this section will be null and void from the beginning, and of no legal effect.

Note: Unless you are notified otherwise, the name and address of the Registrar is as follows:

The Bank of New York Mellon (Luxembourg) S.A., Vertigo Building – Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate.

[●] [Insert Purchaser's Name]

By:

Name:

Title:

Dated:

This Certificate relates to €[●] of [Class E Notes] [Class F Notes] [Subordinated Notes]

THE ISSUER

Oak Hill European Credit Partners V Designated Activity Company
2nd Floor, Beaux Lane House
Mercer Street Lower
Dublin 2

ARRANGER AND PLACEMENT AGENT

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB

COLLATERAL MANAGER

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London SW1Y 5JG

COLLATERAL ADMINISTRATOR, INFORMATION AGENT

The Bank of New York Mellon SA/NV Dublin Branch
4th Floor
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Windmill Lane
Dublin 2 Ireland

PRINCIPAL PAYING AGENT, ACCOUNT BANK, CUSTODIAN AND CALCULATION AGENT

The Bank of New York Mellon, London Branch
One Canada Square
London, E14 5AL
United Kingdom

TRUSTEE

BNY Mellon Corporate Trustee Services Limited
One Canada Square
London, E14 5AL
United Kingdom

REGISTRAR AND TRANSFER AGENT

The Bank of New York Mellon (Luxembourg) S.A.
Vertigo Building – Polaris
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To the Arranger and Placement Agent As to English Law

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To Issuer As to Irish Law

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Ireland

To the Collateral Manager as to English and U.S. Law

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Dublin 2 Ireland

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